



DAVE CHITTENDEN  
Chief Deputy Director

# County of Los Angeles INTERNAL SERVICES DEPARTMENT

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*"To enrich lives through effective and caring service"*

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October 18, 2016

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

23 October 18, 2016

LORI GLASGOW  
EXECUTIVE OFFICER

Dear Supervisors:

**ACCEPT \$400,000 IN CALIFORNIA ENERGY COMMISSION GRANT FUNDS;  
AUTHORIZE THE INTERNAL SERVICES DEPARTMENT TO EXECUTE A  
SUB-RECIPIENT AGREEMENT WITH THE UNIVERSITY OF CALIFORNIA AT  
LOS ANGELES TO DEPLOY AN ADVANCED ENERGY COMMUNITIES PILOT  
PROGRAM IN DISADVANTAGED COMMUNITIES; AND APPROVE AN  
APPROPRIATION ADJUSTMENT  
(ALL DISTRICTS - 4 VOTES)**

## SUBJECT

Request approval to accept California Energy Commission (CEC) Electric Program Investment Charge (EPIC) grant funds in the amount of \$400,000 as a sub-recipient to the University of California at Los Angeles (UCLA); authorize the Director of Internal Services Department (ISD) to execute a sub-recipient agreement with UCLA and administer grant funding for the Southern California Regional Energy Network (SoCalREN) to deploy an Advanced Energy Communities (AEC) pilot program in disadvantaged communities; and approve an appropriation adjustment in the Utilities Budget.

## **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Authorize ISD's Director, or his designee, to accept, on behalf of the County, CEC grant funds in the amount of \$400,000 as a sub-recipient to UCLA;
2. Authorize ISD's Director, or his designee, to execute a sub-recipient agreement with UCLA (the grant's primary recipient), effective through March 30, 2018, in a form identical to *Attachment 1 – UCLA Subcontract Agreement No. 2155-S-UA232* (Sub-recipient Agreement);
3. Delegate authority to the ISD's Director, or his designee, to approve any time extensions, modifications, or amendments to the Sub-recipient Agreement, and execute any documents pursuant to the Sub-recipient Agreement;

4. Approve a Fiscal Year (FY) 2016-17 appropriation adjustment of \$173,000 (the grant's first year estimated expenditures) for the Utilities Budget to provide spending authority to carry out the AEC program requirements and increase the revenue budget to reflect the acceptance of the grant; and,
5. Find that approval of these actions is categorically exempt pursuant to the provisions of the California Environmental Quality Act (CEQA).

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

#### **Background**

Since 2009, ISD, through its County Office of Sustainability (COS), has received funding from various agencies to administer programs in the County and the Southern California region. COS has received and still use funds from the American Recovery and Reinvestment Act (ARRA) through federal, formula-allocated block grants and competitive federal and State ARRA grants.

In late 2012, the California Public Utilities Commission (CPUC) adopted Public Utility Code regulations recognizing and funding the SoCalREN, which is administered by ISD on behalf of the County, using investor-owned utility ratepayer funds. The CPUC has annually funded the SoCalREN since 2013 (at about \$23 million per year) for implementation of residential and non-residential building upgrade programs in the public and private sectors throughout Southern California.

#### **EPIC Grant Program/Advanced Energy Community Grant**

The CEC is now administering its EPIC grant programs, which provide investor-owned utility ratepayer funding through competitive solicitations to a variety of stakeholders. CEC's *Grant Funding Opportunity 15-312 - "Accelerating Advanced Energy Community Deployment around Existing Buildings in Disadvantaged Communities through Unprecedented Data Analysis and Comprehensive Community Engagement"* was announced in January of 2016.

UCLA and ISD's COS collaborated on this grant proposal, with UCLA taking the lead on submitting the application, administering the grant, and selecting grant sub-recipients and local participants. The grant leverages (1) UCLA's Countywide Energy Atlas, which was developed under the SoCalREN, (2) the SoCalREN's suite of existing energy efficiency and community engagement programs, and (3) LACI's business incubation resources.

As the lead agency, UCLA chose the City of Claremont to be the subject of this program so as to allow the grant to leverage Claremont's already-existing community-led and citywide building energy efficiency program. ISD and the SoCalREN will treat this program as a pilot for potential Countywide implementation upon further direction by the Board.

### **Issues Addressed Under AEC Grant**

This effort will address four of the most critical energy program implementation challenges inherent in disadvantaged communities: (1) Lack of data on program effectiveness; (2) Lack of full community engagement; (3) Local obstacles to State building code implementation; and (4) Inadequate business and financing strategies.

Within identified disadvantaged communities in the City of Claremont, the objectives of this AEC grant are the following:

- Create new information that will fill critical knowledge gaps to inform the selection of optimal locations for this and future AECs, and reduce the risks and uncertainties surrounding their design, permitting and financing.
- Establish an AEC Program Design Model for existing buildings in a disadvantaged community.
- Develop the tools, recommendations and outreach that will enable rapid replication and wide-spread deployment of the Program Model.

The deliverables described above are intended to be deployed in Claremont and in other communities under similar programs and other funding sources. Funding will not be used for implementation of building projects. A more detailed overview of the objectives of the AEC grant awarded to UCLA is included as *Attachment 2 – Executive Summary Form*.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

These actions support Goal 1, Operational Effectiveness, by obtaining external funding to promote environmentally responsible practices. These actions also support Goal 3, Community and Municipal Services, by providing a program that promotes energy efficiency and conservation, and enhances health and sustainable practices in the County.

### **FISCAL IMPACT/FINANCING**

The AEC program costs will be incurred in the Utilities' Budget and an Appropriation Adjustment as *Attachment 3* for \$173,000 is included for approval to provide for increased Services & Supplies appropriation and to increase the revenue budget to reflect the acceptance of the CEC grant. It is anticipated that in FY16-17, \$200,000 will be incurred, which includes \$27,000 for ISD Labor, with the remaining \$200,000 to be budgeted and spent in the following fiscal year. ISD will request adequate appropriation in FY17-18 for the AEC program costs.

The grant was awarded based (in part) on a proposed matching funds amount of \$255,977. The match will be provided through "in-kind" activities conducted by the SoCalREN using funding from the California Public Utilities Commission through calendar year 2016.

Recently this year, the SoCalREN has received CPUC funding approval for calendar year 2017.

There will be no impact to the County General Fund.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On February 17, 2016, UCLA submitted an application for the CEC's *Grant Funding Opportunity 15-312 - "Accelerating Advanced Energy Community Deployment around Existing Buildings in Disadvantaged Communities through Unprecedented Data Analysis and Comprehensive Community Engagement"*. UCLA submitted the application as the lead grant administrator and listed the County (as administrator of the SoCalREN) as the application sub-recipient of the grant.

UCLA received notification of the award on March 25, 2016, in the amount of \$1,497,996, with the County's grant allocation being \$400,000. On May 17, 2016, the CEC's Board of Commissioners approved the grant award to UCLA which included the County as a sub-recipient.

### **ENVIRONMENTAL DOCUMENTATION**

The project meets the criteria set forth in Section 15308 of the State CEQA Guidelines and Class 8 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, in that it is an action taken by a regulatory agency, as authorized by state law, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

The project is within a class of projects that has been determined not to have a significant effect on the environment. In addition, there are no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemption inapplicable based on the project records. Upon approval by your Board, ISD will file a Notice of Exemption with the County Clerk in accordance with Section 15062 of the State CEQA Guidelines.

### **CONTRACTING PROCESS**

The Sub-recipient Agreement required by UCLA (*Attachment 1*) contains terms and conditions for contracting with UCLA, as well as those required by the CEC for administering grant funds. These terms and conditions are all non-negotiable and must be followed by the County as a grant sub-recipient.

County Counsel reviewed the Sub-recipient Agreement and has approved it as to form.

As a grant sub-recipient, ISD will administer work to be conducted by technical consultants already under contract with the County for SoCalREN programs implementation. A total

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grant amount of \$400,000 will be allocated as follows: \$344,452 will be used by the SoCalREN technical consultants; \$55,548 will be used by ISD to administer grant activities with UCLA and the technical consultants.

The term of the Sub-recipient Agreement with UCLA will be effective upon Board approval, continuing through March 30, 2018.

### **IMPACT ON CURRENT SERVICES OR PROJECTS**

Approval of these actions will facilitate widespread development and implementation of energy programs administered by ISD through the SoCalREN which will reduce greenhouse gases, reduce total energy use and improve energy efficiency throughout the County in a cohesive and comprehensive manner. Expanding the SoCalREN programs under this grant will help the State achieve the goal of implementing programs that provide substantial, sustainable, and measurable energy savings, job creation and economic stimulus benefits.

### **CONCLUSION**

The Executive Office of the Board of Supervisors is requested to return one stamped copy of the approved Board letter to the Director of ISD.

Respectfully submitted,



Dave Chittenden  
Chief Deputy Director

DC:HC:JG;sg

Attachments (3)

c: Chief Executive Officer  
Executive Office, Board of Supervisors  
County Counsel

UCLA SUBCONTRACT AGREEMENT No. 2155-S-UA232

**UCLA SUBCONTRACT AGREEMENT**  
**Agreement No. 2155-S-UA232**

This Subcontract Agreement ("Agreement") is entered into between **The Regents of the University of California** on behalf of **its Los Angeles campus** (hereinafter referred to as "Contractor" or "UCLA") and **County of Los Angeles** (hereinafter referred to as "Subcontractor").

Sponsor: California Energy Commission ("Commission")

Sponsor Award No: EPC-15-061

Effective date: June 13, 2016

Project Title: Accelerating AEC Deployment Around Existing Buildings in Disadvantaged Communities Through Unprecedented Data Analysis and Comprehensive Community Engagement

Not-to-Exceed Subcontract Amount/Project Period: \$400,000.00 from June 13, 2016 to March 30, 2018

Amount hereby Allotted/Performance Period: \$200,000.00 from June 13, 2016 to March 30, 2017

Subcontract Type: Cost-Reimbursement

The parties agree to comply with the terms and conditions of the following Sections, which are by the reference made a part of the Agreement.

SECTION	DESCRIPTION
A	SUBCONTRACT FORM
B	SUPPLIES OR SERVICES AND PRICES/COSTS
C	SPECIAL TERMS AND CONDITIONS
D	ADDITIONAL PROVISIONS
E	GENERAL TERMS AND CONDITIONS
F	INVOICE SUBMISSION REQUIREMENTS
G	SAMPLE INVOICE FORMAT
H	LIST OF ATTACHMENTS

SUBCONTRACTOR'S NEGOTIATED AGREEMENT (Subcontractor is required to sign this document and return 1 copy to issuing office.) Subcontractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration sheets for the consideration stated herein. The rights and obligations of the parties to this Subcontract shall be subject to and governed by the following documents: (1) this Subcontract, (2) the solicitation, if any, and (3) such provisions, representations, certifications, and specifications

**Subcontractor**

By: \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name  
\_\_\_\_\_  
Title

Date: \_\_\_\_\_

**The Regents of the University of California**

By: \_\_\_\_\_  
Signature  
Linda Chen  
Print Name  
Senior Contracts Officer  
Title

Date: \_\_\_\_\_

**SECTION B  
SUPPLIES OR SERVICES AND PRICES/COSTS**

**B.1 Brief Description of the Project**

This Agreement is entered into by the parties in support of a grant agreement issued by the California Energy Commission ("Sponsor" or "Commission") to the Contractor and is funded by the Electric Program Investment Charge ("EPIC"), an electricity ratepayer surcharge authorized by the California Public Utilities Commission ("CPUC"). The purpose of this Project is to fund the creation of new information to reduce risks and uncertainties around advanced energy community ("AEC") design, permitting and financing for existing buildings in disadvantaged areas, the development of an AEC program model and pilot site design, and the creation of replication documentation, tools and outreach.

**Problem**

Existing buildings contribute 40% of the State's greenhouse gas emissions. While billions of dollars have been spent on energy efficiency upgrades across the state, there remains little meter level before and after data on the impacts of these expenditures. Further, relatively few of these funds are spent on retrofits in disadvantaged communities, despite the fact that it is these communities that are home to most of the worst performing buildings and the people with the least resources to complete the retrofits themselves. While bills like SB 535 have made strides in this area, there is still much to be done. This Project aims to address four of the most critical challenges: (1) Lack of data on program effectiveness. (2) Lack of full community engagement. (3) Local obstacles to state code implementation. (4) Inadequate business and financing strategies.

**Solution**

The Project combines academic research with on-the-ground expertise in an approach that is uniquely positioned to overcome these challenges. This partnership will accelerate AEC deployment around existing buildings in disadvantaged communities through unprecedented data analysis and comprehensive community engagement.

**Goals**

The goal of this Agreement is to develop the data, models, tools and outreach necessary to support deployment and replication of AECs in disadvantaged communities.

**Agreement Objectives**

The objectives of this Agreement are to:

- Develop evidence-based data on energy program efficiency and create prioritization tools to inform future building retrofit investments in AEC communities;
- Develop an AEC Program Model for existing buildings in a disadvantaged community;
- Prepare designs and site maps for a pilot implementation;
- Provide tools and recommendations for rapid replication of this model in other communities
- Conduct outreach to widely disseminate project results

**B.2 Scope of Work**

Independently and not as an agent of the Contractor, the Subcontractor shall furnish all the necessary services, qualified personnel, material, equipment, and facilities, not otherwise provided by either the Contractor or the Sponsor as needed to perform the Scope of Work and in accordance with the approved Budget set forth in Attachment 1 to ensure adherence to deliverables, milestones, and other requirements described in this Agreement.

## UCLA SUBCONTRACT AGREEMENT No. 2155-S-UA232

### B.4 Subcontract Amount and Agreement Term

- A. The total approved budget for this Agreement is no greater than \$400,000.00 from June 13, 2016 ("Effective Date") to March 30, 2018 ("Termination Date"), unless earlier terminated in accordance with the terms of this Agreement. The amount currently allotted for payment is \$200,000.00 covering performance period from June 13, 2016 to March 30, 2017.
- B. The Subcontractor shall have no claim against the Contractor for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Subcontractor after the expiration or termination of this Agreement. Payment by the Contractor for services rendered under this Agreement shall not constitute a waiver of the Contractor's right to recover such payment from the Subcontractor. This provision shall survive the expiration or termination of this Agreement.

### B.5 Project Representatives

- A. The following representatives will represent the Contractor for the purpose of this Agreement:

Name	Title
Stephanie Pincetl, Ph.D.	Principal Investigator ("PI")
Felicia Federico, D. Env.	Project Manager
Linda Chen, MBA	Senior Contracts Officer

The Contractor's PI is responsible for: (1) monitoring the Subcontractor's technical progress, including the surveillance and assessment of performance and recommending to the Contractor changes in requirements; (2) interpreting the scope of work and any other technical performance requirements; (3) performing technical evaluation as required; (4) performing technical inspections and acceptances required by this Contract; (5) assisting in the resolution of technical problems encountered during performance; and (6) authorizing reimbursement to the Subcontractor for the expenses in the approved budget under this Agreement.

The Contractor's Project Manager will assist the PI in managing the Project.

The Contractor's Senior Contracts Officer is the only person with authority to act as agent of the Contractor under this Agreement. Only the Senior Contracts Officer or her duly authorized representatives have authority to issue the subcontract and subcontract amendment(s) under this Agreement.

- B. The Subcontractor's Key Personnel under the Project:

Name	Title
Howard Choy, MS	Principal Investigator ("PI")

The key personnel specified above is considered to be essential to work performance. If the specified individual must be replaced, for example, as a result of leaving the employ of the Subcontractor, the Subcontractor shall immediately notify the Contractor in writing and shall submit comprehensive justification for the diversion or replacement request (including proposed substitutions for key personnel) to permit evaluation by the Contractor of the impact on performance under this Agreement. The Subcontractor shall not divert or otherwise replace any key personnel without the written approval of the Contractor. In the event that the key personnel cease to perform under this Agreement and the substitute is disapproved, this Agreement may be immediately terminated in accordance with Section C.12.C Termination for Default clause of this Agreement.



**UCLA SUBCONTRACT AGREEMENT No. 2155-S-UA232**

**B.6 REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS**

The Subcontractor's SAM validation dated from 05/11/2016 to 05/11/2017 is hereby incorporated into this Agreement by reference.

**SECTION C**  
**SPECIAL TERMS AND CONDITIONS**

**C.1 Federal Regulations**

The federal regulations identified below are incorporated by reference as part of this Agreement. These Terms and Conditions take precedence over the regulations:

2 CFR Part 200 (See cost principles in Subpart E, Sections 200.400 et seq. See procurement standards in Subpart D, Sections 200.317 et seq.)

**C.2 Applicable Laws**

The Subcontractor agrees to abide by all federal, state, and local laws and regulations applicable to the Project even if they are not stated in this Agreement. The Subcontractor also asserts that it follows the Information Practices Act ("IPA") as codified at California Civil Code sections 1798 et seq. To the extent that the Subcontractor will collect or otherwise have access to Personal Information as defined in the IPA in carrying out the Scope of Work of this Agreement, the Subcontractor will follow the requirements of the IPA. Subject to applicable IPA disclosure restrictions, other applicable pre-existing use and disclosure restrictions identified in Attachment 2, or any other provisions in this Agreement, including but not limited to Confidentiality, the Subcontractor may provide the Contractor or its Sponsor access to Personal Information collected under this Agreement only for the purpose of verifying aspects of the Subcontractor's analysis. The Contractor and its Sponsor takes no ownership interest in or license to the Personal Information.

**C.3 Due Diligence**

The Subcontractor is required to take timely actions to move this Agreement to completion. The Contractor will periodically evaluate the schedule for completion of the Subcontractor's work. If the Contractor determines (1) the Subcontractor is not being diligent in completing the work or (2) the time remaining in the funding period is insufficient to complete the work not later than the Agreement term date, the Contractor shall consult with the Subcontractor to determine whether the work will be completed according to schedule. If completion cannot be completed on schedule or by a mutually agreeable extension in time, the Contractor may, without prejudice to any of its remedies, terminate this Agreement in accordance with the Termination provisions stated in Section C.12. C.

**C.4 Products**

Unless otherwise directed, draft copies of all Products<sup>1</sup> identified in this Agreement shall be submitted to the Contractor for review and comment.

1. **Products** shall mean all tangible research products first made by the Subcontractor in the performance of this Agreement and specified for delivery to the Contractor, but not a Subject Invention<sup>2</sup> nor a Copyrightable Work<sup>3</sup>.
2. **Subject Invention** means any patentable invention or discovery that is either;
  - i. Conceived and first actually reduced to practice (actually reduced to practice or constructively reduced to practice by the filing of a patent application) in the performance of the Scope of Work;
  - ii. Conceived in the performance of the Scope of Work and first reduced to practice in the performance of the Scope of Work conducted under this Agreement or within forty-two (42) months after the completion of the Scope of Work;

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iii. Conceived prior to the effective date of this Agreement or conceived without Sponsor's funds and reduced to practice in the performance of the Scope of Work, provided that such conception is not encumbered by any obligations owed to a third party other than the U.S. Government.

3. **Copyrightable Work** means any copyrighted work as defined under U.S. copyright law to which the Subcontractor has acquired title that is first created in the performance of the Scope of Work under this Agreement and is not a scholarly work

### C.5 Reports

#### A. Submission of Reports

All Reports will be submitted to the Contractor's Project Manager. Upon written request, the Contractor will provide the reporting components, style, and formatting requirements to the Subcontractor.

#### B. Progress Reports

The Subcontractor shall submit progress reports by the 7<sup>th</sup> of every month to the Contractor's Project Manager in the format provided in Attachment 4 of this Agreement. The progress reports shall summarize all work performed by the Subcontractor for the reporting period, including accomplishments, problems, milestones, products, schedule, fiscal status, and an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns.

#### C. Final Reports

The Subcontractor shall submit a final report at least **two months** before the Agreement end date in the format to be provided by the Contractor. The final report shall describe the original purpose, approach, results and conclusions of the work done under this Agreement. The payment request for the final payment (including any retention) may only be submitted after the final report is completed and the Contractor has verified that all work has been completed in accordance with the requirements of this Agreement.

#### D. Rights in Reports

The parties acknowledge and agree that the Sponsor retains ownership and copyright rights in all Reports<sup>4</sup> produced and delivered pursuant to this Agreement, including the right to grant others any or all copyright rights in such materials. The Sponsor, via the Contractor, grants the Subcontractor a fully paid-up, royalty-free, nonexclusive, nontransferable, nonsublicensable, irrevocable license to reproduce, prepare derivative works, distribute copies, perform publicly, and display publicly such reports for educational and research purposes and to allow other educational and nonprofit institutions to do so for educational and research purposes. The Subcontractor also agrees that the Contractor may utilize all Reports and authorize use of all Reports in any way it deems appropriate to fulfill its obligations to the Sponsor.

4. **Report** means all required reports specified for delivery to the Contractor under this Agreement.

#### E. Failure to Comply with Reporting Requirements

Failure to comply with the reporting requirements contained in this Agreement will be considered a material noncompliance with the terms of this Agreement.

### C.6 Legal Statement on Reports and Products

No Product or Report produced as a result of work funded under this Agreement shall be represented to be

## UCLA SUBCONTRACT AGREEMENT No. 2155-S-UA232

endorsed by the Contractor and the Sponsor, and all such Products or Reports shall include the following statement:

### LEGAL NOTICE

*This document was prepared as a result of work sponsored by the California Energy Commission. It does not necessarily represent the views of the Energy Commission, its employees, or the State of California. The Energy Commission, the State of California, its employees, contractors, and subcontractors make no warranty, express or implied, and assume no legal liability for the information in this document; nor does any party represent that the use of this information will not infringe upon privately owned rights. This report has not been approved or disapproved by the Energy Commission nor has the Energy Commission passed upon the accuracy of the information in this report.*

### C.7 Amendments

#### A. Procedure for Requesting Changes

The Subcontractor must submit a written request to the Contractor for any change to the Agreement. The request must include:

- i. A brief summary of the proposed change;
- ii. A brief summary of the reason(s) for the change; and
- iii. The revised section(s) of the Agreement, with changes made in underline/ strikeout format.

#### B. Approval of Changes

No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by both parties, and approved as required. No oral understanding or agreement not incorporated in the amendment is binding on any of the parties.

#### C. Personnel or Sub-subcontractor Changes

All changes to key personnel, sub-subcontractors and vendors require advance written approval by the Contractor PI.

### C.8 Subcontracting and Procurement Procedures

This section provides general requirements for an agreement between the Subcontractor and a third party ("sub-subcontractor"). Subcontracting criteria are specified in the applicable federal regulations incorporated by reference in this Agreement. The Contractor will defer to the Subcontractor's own regulations and procedures as long as they reflect applicable state and local laws and regulations and are not in conflict with the minimum standards specified in this Agreement and any Code of Federal Regulations incorporated by reference in this Agreement. Upon request, the Subcontractor must submit to the Contractor a copy of all solicitations for services or products required to carry out the terms of this Agreement, copies of the proposals or bids received, and copies of subcontracts executed. The Subcontractor is responsible for handling all contractual and administrative issues arising out of or related to any subcontracts it enters into under this Agreement.

All subcontracts must incorporate all of the following:

- A. A clear and accurate description of the material, products, or services to be procured as well as a detailed budget and timeline.
- B. Provisions which allow for administrative, contractual, or legal remedies in instances where sub-subcontractors violate or breach subcontract terms, and provide for such sanctions and penalties

## **UCLA SUBCONTRACT AGREEMENT No. 2155-S-UA232**

- as may be appropriate.
- C. Provisions for termination by the Subcontractor including termination procedures and the basis for settlement.
- D. Any additional requirements specified in the federal regulations incorporated by reference in this Agreement.
- E. Further assignments shall not be made to any third or subsequent tier subcontractor without additional advance written consent of the Contractor.

All subcontracts must also incorporate language conforming to the following provisions specified in this Agreement and contain the following provisions:

- A. Standard of Performance
- B. Nondiscrimination
- C. Indemnification
- D. Pre-Existing Intellectual Property, Independently Funded Intellectual Property, and Pre-existing Data
- E. Intellectual Property
- F. Royalty Payments to the Sponsor
- G. Travel and Per Diem
- H. Equipment
- I. Recordkeeping, Cost Accounting, and Auditing
- J. Access to sites and records
- K. Legal Notice
- L. Survival of the following sections:
  - i. Recordkeeping, Cost Accounting and Auditing
  - ii. Equipment
  - iii. Pre-Existing Intellectual Property, Independently Funded Intellectual Property, and Pre-existing Data
  - iv. Intellectual Property
  - v. Royalty Payments to the Sponsor
  - vi. Access to sites and records

Nothing contained in this Agreement or otherwise, shall create any contractual relation between the Contractor and any subcontractors, and no subcontract shall relieve the Subcontractor of its responsibilities and obligations hereunder. The Subcontractor shall be responsible for establishing and maintaining contractual agreements with and reimbursement of each sub-subcontractor for work performed in accordance with the terms of this Agreement. All subcontracts entered into pursuant to this Agreement shall be subject to examination and audit by the Bureau of State Audits for a period of three (3) years after final payment under this Agreement. Failure to comply with the above requirements may result in the termination of this Agreement.

### **C.9 Permits and Clearances**

The Subcontractor is responsible for ensuring all necessary permits and environmental documents are prepared and clearances are obtained from the appropriate agencies. The Subcontractor shall obtain all permits required for work under this Agreement in advance of the date they are needed to keep the Project Schedule set forth in Attachment 3 on track. Upon request, the Subcontractor shall send a copy of each approved permit to the Contractor. If during the Project Period permits are not obtained on time or are denied, the Subcontractor shall notify the Contractor within three (3) days.

### **C.10 Equipment**

Title to equipment acquired by the Subcontractor with grant funds shall vest in the Subcontractor. The Subcontractor shall use the equipment in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by grant funds and shall not

## **UCLA SUBCONTRACT AGREEMENT No. 2155-S-UA232**

encumber the property without the Contractor approval. The Subcontractor should refer to the applicable federal regulations incorporated by reference in this Agreement for additional equipment requirements.

### **C.11 Suspension or Stop Work Notification**

- A. The Contractor may, at any time, issue a written notice to suspend performance or stop work under this Agreement. Upon receipt of said notice, the Subcontractor is to suspend or stop all, or any part, of the work called for by this Agreement.
- B. The suspension or stop work notification shall remain in effect until further written notice is received from the Contractor. The resumption of work (in whole or part) will be at the Contractor's discretion and upon receipt of written confirmation.
  - 1) Upon receipt of a suspension or stop work notification, the Subcontractor shall immediately comply with its terms and take all reasonable steps to minimize or halt the incurrence of costs allocable to the performance covered by the notification during the period of work suspension or stoppage.
  - 2) Within sixty (60) days of the issuance of a suspension or stop work notification, the Contractor shall either:
    - a) Cancel, extend, or modify the suspension or stop work notification; or
    - b) Terminate the Agreement as provided for in the Termination clause of this Agreement.
- C. If a suspension or stop work notification issued under this clause is canceled or the period of suspension or any extension thereof is modified or expires, the Subcontractor may resume work only upon written concurrence of the Contractor.
- D. If the suspension or stop work notification is cancelled and the Agreement resumes, changes to the services, deliverables, performance dates, and/or subcontract terms resulting from the suspension or stop work notification shall require an amendment to the Agreement.
- E. If a suspension or stop work notification is not canceled and the Agreement is cancelled or terminated pursuant to the provision entitled Termination, the Contractor shall allow reasonable costs resulting from the suspension or stop work notification in arriving at the settlement costs.

### **C.12 Termination**

- A. Caused by Sponsor

It is mutually agreed that the Contractor may, for cause by Sponsor, terminate this Agreement upon giving twenty (20) days advance written notice to the Subcontractor. In such event, the Subcontractor agrees to use all reasonable efforts to mitigate its expenses and obligations. The term "for cause by Sponsor" includes, but not limited to, the following reasons:

- i. The Commission loss or redirection of State or Federal funding for this Agreement;
- ii. Significant change in State or Commission policy such that the work or Product being funded would not be supported by the Commission;
- iii. Change in Commission's staffing such that the work or Product being funded can be done by staff of the Commission.

- B. Without Cause

This Agreement may be terminated by the Contractor without cause upon ten (10) days advance written notice to the Subcontractor. In the event of termination without cause, the Subcontractor

## **UCLA SUBCONTRACT AGREEMENT No. 2155-S-UA232**

shall be entitled to compensation for services performed satisfactorily under this Agreement and expenses incurred up to the date of cancellation and any non-cancelable obligations incurred in support of this Agreement.

### **C. Default**

In the event of any default of this Agreement, the Contractor may, without prejudice to any of its other legal remedies, terminate this Agreement upon five (5) days written notice to the Subcontractor.

### **D. Allowable Costs**

The federal regulations incorporated into this Agreement shall be used to determine allowable termination costs, but not in excess of the total subcontract amount of the Agreement.

## **C.13 Travel and Per Diem**

- A. Those trips already identified in the Budget section are considered approved when this Agreement goes into effect. Travel not listed in the Budget section of this Agreement shall require prior written authorization from the Contractor PI. When requesting such approval, the Subcontractor shall identify who will travel, the purpose of travel and the destination.
- B. Any authorized travel shall be reimbursed on the same basis as the Department of Energy ("DOE") approved rates in effect during this Agreement.
- C. The Subcontractor must document travel expenses in its financial records as follows:
  - i. Expenses must be detailed using the current DOE approved rates.
  - ii. Expenses must be listed by trip, including dates and times of departure and return.
  - iii. The Subcontractor must retain receipts for travel expenses claimed for audit and verification.

## **C.14 Standard of Performance**

- A. The Subcontractor, its subcontractors and their employees in the performance of work under this Agreement shall be responsible for exercising the degree of skill and care required by customarily accepted good professional practices and procedures used in scientific and engineering research fields.
- B. The failure of the Subcontractor to achieve the technical or economic goals stated in the Scope of Work is not a basis for the Contractor to determine that the work is unacceptable, unless the work conducted by the Subcontractor or its subcontractors is deemed by the Contractor to have failed the foregoing standard of performance.
- C. In the event that Subcontractor or its subcontractor fails to perform in accordance with the foregoing standard of performance, the Contractor and the Subcontractor shall seek to negotiate in good faith an equitable resolution satisfactory to both parties.
- D. Nothing contained in this section is intended to limit any of the rights or remedies which the Contractor may have under law.

## **C.15 Recordkeeping, Cost Accounting, and Auditing**

### **A. Cost Accounting**

The Subcontractor agrees to keep separate, complete, and correct accounting of the costs involved

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in completing the grant and match funded (if any) portion of this Agreement. The Contractor or its agent shall have the right to examine the Subcontractor's books of accounts at all reasonable times to the extent and as is necessary to verify the accuracy of the Subcontractor's reports.

### B. Accounting Procedures

The Subcontractor's costs shall be determined on the basis of the Subcontractor's accounting system procedures and practices employed as of the effective date of this Agreement, provided that the Subcontractor shall use generally accepted accounting principles and cost reimbursement practices. The Subcontractor's cost accounting practices used in accumulating and reporting costs during the performance of this Agreement shall be consistent with the practices used in estimating costs for any proposal to which this Agreement relates; provided that such practices are consistent with the other terms of this Agreement and provided, further, that such costs may be accumulated and reported in greater detail during performance of this Agreement. The Subcontractor's accounting system shall distinguish between direct costs and indirect costs. All costs incurred for the same purpose, in like circumstances, are either direct costs only or indirect costs only with respect to costs incurred under this Agreement.

### C. Allowability of Costs

#### i. Allowable Costs

The costs for which the Subcontractor shall be reimbursed under this Agreement include all costs, direct and indirect, incurred in the performance of work that are identified in the Budget. Costs must be incurred within the term of the Agreement. Factors to be considered in determining whether an individual item of cost is allowable include (i) reasonableness of the item, (ii) appropriate use of the allocability of the item to the work, (iii) applicable federal cost principles incorporated by reference in this Agreement, and (iv) the terms and conditions of this Agreement.

#### ii. Unallowable Costs

The following is a description of some specific items of cost that are unallowable; provided, however, that the fact that a particular item of cost is not included shall not mean that it is allowable. Details concerning the allowability of costs are available upon written request.

- a. Profit or Fees, Contingency Costs, Imputed Costs, Fines and Penalties. Losses, Excess Profit Taxes and increased rates for this Agreement (if not otherwise approved by the Energy Commission as described in Section 8 of this Agreement).
- b. The Contractor will pay for state or local sales or use taxes on expenditures. The State of California is exempt from Federal excise taxes.
- iii. Except as provided for in this Agreement, the Subcontractor shall use the federal regulations incorporated by reference in this Agreement when determining allowable and unallowable costs. In the event of a conflict, this Agreement takes precedence over the federal regulations

### D. Audit Rights

The Subcontractor shall maintain books, records, documents, and other evidence, based on the procedures set forth above, sufficient to reflect properly all costs claimed to have been incurred in performing this Agreement. At the Contractor's option, the Contractor or a public accounting firm designated by the Contractor, may audit such accounting records at all reasonable times with prior notice by the Contractor. The Contractor shall bear the expense of such audits. It is the intent of the parties that such audits shall ordinarily be performed not more frequently than once every twelve



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(12) months during the performance of the work and once at any time within three (3) years following payment by the Contractor of the Subcontractor's final invoice. However, performance of any such interim audits by the Contractor does not preclude further audit.

The Subcontractor agrees that the Contractor, the Energy Commission, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting source documentation pertaining to the performance of this Agreement. The Subcontractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of record retention is stipulated. The Subcontractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Subcontractor agrees to include a similar right of the state to audit records and interview staff in any subcontract related to performance of this Agreement.

### E. Refund to the Contractor

If the Contractor determines, that any invoiced and paid amounts exceed the actual allowable incurred costs, the Subcontractor shall repay such amounts to the Contractor within thirty (30) days of written request. If the Contractor do not receive such repayments, the Contractor shall be entitled to withhold further payments under this Agreement to the Subcontractor or seek repayment from the Subcontractor.

## C.16 Indemnification

The Subcontractor shall defend, indemnify and hold the Contractor, the State of California and its agencies (including the Energy Commission and the California Public Utilities Commission), their respective officers, employees and agents harmless from and against any and all liability, loss, expense, attorneys' fees, or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of the Subcontractor, its officers, agents or employees.

The Contractor shall defend, indemnify and hold the Subcontractor, its officers, employees and agents harmless from and against any and all liability, loss expense, attorneys' fees or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of the Contractor, its officers, agents or employees.

## C.17 Confidentiality

### A. Identification of Confidential Information

- i. For purposes of this Agreement, "**Confidential Information**" means any data or information that is proprietary to the Disclosing Party, allowed to be kept confidential under the California Public Records Act (Government Code §6250 et seq.) or other applicable law, and not publicly known at the time of disclosure to the receiving party. The obligations contained in this clause shall not apply to any confidential information which:
  - a. After disclosure becomes publicly known otherwise than through a breach by the receiving party, its officers, employees, agents or contractors;
  - b. Can be shown by reasonable proof by the receiving party to have reached its hands otherwise than by being communicated by the other party including being known to it prior to disclosure, or having been developed by or for it wholly independently of the other party

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or having been obtained from a third party without any restriction on disclosure on such third party of which the recipient is aware, having made due enquiry;

- c. Is required by law, regulation or order of a competent authority (including any regulatory or governmental body or securities exchange) to be disclosed by the receiving party, provided that, where practicable, the disclosing party is given reasonable advance notice of the intended disclosure and provided that the relaxation of the obligations of confidentiality shall only last for as long as necessary to comply with the relevant law, regulation or order and shall apply solely for the purposes of such compliance; or
  - d. Is approved for release, in writing, by an authorized representative of the disclosing party.
- ii. Attachment 1 to this Agreement contains a description of the Products and Reports which contain Confidential information, per agreement of the Subcontractor and the Contractor. The Contractor will not disclose the Confidential Information, except as provided in subsection B. The parties shall redact the Confidential Information from these Products and Reports prior to any public disclosure of the Products.
  - iii. If additional Confidential Information is developed or collected during the course of this Agreement (beyond that described in Attachment 1), the Subcontractor will follow the procedures for a request for designation of Confidential Information as specified in Title 20 California Code of Regulations (CCR) Section 2505.

The Contractor will make the confidentiality determination. Following this determination, the Confidential Information may be added to Attachment 1 through an amendment (see the "Amendments" section). The Contractor will not disclose the Confidential Information subject to an application for confidential designation except as provided in this subsection.

- iv. When submitting Products and Reports containing Confidential information, the Subcontractor will mark each page of any document containing Confidential Information as "confidential", and present it in a sealed package to the Contractor.

The Contractor may require the Subcontractor to submit a non-confidential version of the Product or Report, if it is feasible to separate the Confidential Information from the non-confidential information. The Subcontractor is not required to submit such Products in a sealed package.

### B. Disclosure of Confidential Information

All confidential data, records, Products, or Reports that are legally disclosed by the Subcontractor or any other entity become public records and are no longer subject to the above confidentiality designation.

**SECTION D  
ADDITIONAL PROVISIONS**

*This Agreement is issued under a grant agreement awarded by the California Energy Commission, the following clauses set forth in the grant as in effect on the date of this Agreement are incorporated herein by reference. These terms and conditions shall be controlling over any conflicting terms and conditions contained in this Agreement.*

*It is intended by the parties that these clauses shall apply to the Subcontractor in such manner as is necessary to reflect the subcontracting position of the Subcontractor to the Contractor, and to insure the Subcontractor complies with its obligations to the Contractor, and to enable the Contractor to meet its own grant obligations to the Sponsor. Consequently, in interpreting and applying these clauses flowed down to the Subcontractor, and as context requires, the term "Recipient" shall mean "Subcontractor", the term "contract" shall mean this "Agreement", and the terms "Energy Commission" and equivalent phrases shall mean "Contractor". However, as an exception to the foregoing, the terms "Director" do not change in the following circumstances:*

- (a) in the patent rights clauses incorporated herein, if any;*
- (b) when a right, act, authorization or obligation can be granted or performed only by the Sponsor or a Contracting Officer or his/her duly-authorized representatives;*
- (c) when title to property is to be transferred directly to the Sponsor; and*
- (d) when access to proprietary financial information or other proprietary data is required, except as otherwise provided in this Agreement.*

See attached 17 pages.

~~B. Disclosure of Confidential Information~~

~~Disclosure of Confidential Information by the Energy Commission may only be made pursuant to 20 CCR 2506, 2507, and 2508. All confidential data, records, Products or Reports that are legally disclosed by the Recipient or any other entity become public records and are no longer subject to the above confidentiality designation.~~

**20. Pre-Existing Intellectual Property, Independently Funded Intellectual Property, and Pre-existing Data**

A. Ownership

The Energy Commission makes no ownership, license, or royalty claims to Pre-existing Intellectual Property, Independently Funded Intellectual Property, Pre-existing Data, Project-relevant Pre-existing Intellectual Property, Project-relevant Independently Funded Intellectual Property, or Project-relevant Pre-existing Data.

B. Project-relevant Pre-Existing Intellectual Property, and Project-relevant Independently Funded Intellectual Property (collectively, "Project-relevant Intellectual Property") and Project-relevant Pre-existing Data

i. Identification of Project-relevant Intellectual Property and Project-relevant Pre-existing Data

a. All Project-relevant Pre-existing Intellectual Property of Key Personnel that is owned or controlled by Recipient is listed in Attachment 1 to this Exhibit. Within sixty (60) days of becoming aware that additional Project-relevant Pre-existing Intellectual Property of Key Personnel that is owned or controlled by Recipient has been or will be used in the performance of this Agreement, Recipient will notify the Energy Commission. Attachment 1 may be amended by a Letter of Agreement (see the "Amendments" section).

b. All Project-relevant Independently Funded Intellectual Property of Key Personnel that is owned or controlled by Recipient and the source of funding for such Intellectual Property is described in Attachment 1 to this Exhibit. Within sixty (60) days of becoming aware that additional Project-relevant Independently Funded Intellectual Property of Key Personnel that is owned or controlled by Recipient has been or will be used in the performance of this Agreement, Recipient will notify the Energy Commission. Attachment 1 may be amended by a Letter of Agreement (see the "Amendments" section).

- c. During the term of this Agreement, Recipient will use reasonable efforts to notify the Energy Commission of any Project-relevant Intellectual Property of Key Personnel that is owned or controlled by Recipient that Recipient becomes actually aware of, with the qualification that Recipient is not in a position to guarantee that all potential Project-relevant Intellectual Property has been identified.
  - d. If Recipient will be using Project-relevant Pre-existing Data of Key Personnel that is owned or controlled by Recipient in the performance of this Agreement that have restrictions on use, such data and use restrictions will also be identified in Attachment 1, which may be amended by a Letter of Agreement (see the "Amendments" section).
- ii. Access to Project-Relevant Intellectual Property and Project-relevant Pre-existing Data

The Energy Commission and California Public Utilities Commission may access Project-relevant Intellectual property identified in Attachment 1, and Project-relevant Pre-existing Data of Key Personnel that is owned or controlled by Recipient, whether or not it is identified in Attachment 1, but only to the extent that such access is limited to that reasonably necessary to: (a) demonstrate the validity of any premise, postulate, or conclusion referred to or expressed in any Product or Report; or (b) establish a baseline for repayment purposes. No express or implied licenses or other rights are provided to the Energy Commission and CPUC under any patents, patent applications, or other proprietary rights of the Recipient.

Upon the Commission Agreement Manager's request, the Recipient will provide the Commission Agreement Manager and any reviewers designated by the Energy Commission or the CPUC with access to review the Recipient's Project-relevant Intellectual Property and Project-relevant Pre-existing Data. If such Project-relevant Intellectual Property or Project-relevant Pre-existing Data has been designated as Confidential Information as specified in Section 19, the Energy Commission will only disclose it under the circumstances specified in Title 20 CCR Sections 2506, 2507, and 2508.

iii. Preservation of Project-Relevant Intellectual Property

The Recipient will preserve any of its Project-relevant Intellectual Property at its own expense for at least five (5) years from the Agreement's end date or until the timeframe in Recipient's retention policy, whichever is longer. Notwithstanding the foregoing, Recipient has the sole right but not the obligation to prosecute or maintain patent protection for any of its Project-relevant Intellectual Property at any time.

The Energy Commission and the CPUC will have reasonable access to the Project-relevant Intellectual Property and Project-relevant Pre-existing Data throughout the retention period for purposes specified in this Section 20 of the Agreement.

- C. All terms of this Section 20 above will be flowed down to Subcontractors, including the access rights to Project-relevant Intellectual Property and Project-relevant Pre-existing Data in part B.ii.

## **21. Intellectual Property**

A. Ownership

Except as otherwise specified in this Agreement, the Recipient owns all Intellectual Property created, conceived or reduced to practice, discovered, made, developed, or altered by Recipient in the performance of this Agreement.

B. Data Rights

- i. Pre-existing Data that will be included as a deliverable under this Agreement will be identified in Attachment 1. If the Commission provides its own pre-existing data, the Commission shall mark all such data, and Recipient and its subcontractors may only use it for purposes of the Scope of Work of this Agreement, unless such data is otherwise publicly available.
- ii. At the Commission's expense for actual cost of duplication and delivery, Recipient shall deliver additional Project Data that is specifically requested by the Commission.
- iii. The Commission and CPUC shall have the unrestricted right to use the Deliverable Data and delivered Project Data, subject to applicable pre-existing use and disclosure restrictions identified in Attachment 1 and other provisions in this Agreement, including but not limited to Confidentiality.
- iv. The Recipient shall have the unrestricted right to use Project Data, subject to applicable use and disclosure restrictions identified in Attachment 1 and other provisions in this Agreement, including but not limited to, Confidentiality.

C. Copyrights

- i. All rights in Copyrightable Works other than Reports first created by the Recipient are the property of the Recipient. Unless pre-existing restrictions are listed under Attachment 1, the Recipient grants The State of California, including the Commission, a fully paid-up, royalty-free, non-exclusive, non-transferable, non-sublicensable, irrevocable license to reproduce, prepare derivative works, distribute copies, perform publicly, and display publicly Copyrightable Works specified for delivery to the Commission in the Scope of Work, to fulfill the State of California's governmental purposes, including the Commission's statutory objectives.
- ii. Notwithstanding C.i. directly above, when the purpose of the Scope of Work is specifically to create a Copyrightable Work for use by the Commission and that fact is indicated in the Scope of Work, then all rights in such Copyrightable Work will be the property of the Commission. The Commission grants to Recipient a fully paid-up, royalty-free, non-exclusive, non-transferable, non-sublicensable, irrevocable license to reproduce, prepare derivative works, distribute copies, perform publicly, and display publicly such Copyrightable Work for educational and research purposes and to allow other educational and nonprofit institutions to do so for educational and research purposes.
- iii. Upon written request and subsequent amendment, the Commission may request delivery of computer software that is not identified as a Product, but was first created by the Recipient in the performance of the Scope of Work. To the extent the Recipient is legally able to do so, Recipient shall grant the State of California, including the Commission, a fully paid-up, royalty-free, nonexclusive, non-transferable, non-sublicensable, irrevocable license to reproduce, prepare derivative works, distribute copies, perform publicly, and display publicly such software to fulfill the State of California's governmental purposes, including the Commission's statutory objectives, subject to restrictions, if any, identified in Attachment 1.
- iv. Copyrightable Works that may be patentable are also subject to the Patent Rights clause, which will take precedence in case of a conflict.

- v. The Commission may direct Recipient to issue a no-cost, non-exclusive, non-sublicensable, irrevocable, royalty-free, worldwide, perpetual license to Copyrightable Works described in subparagraphs i. and iii. above to Load-serving entities and/or the third parties working with a Load-serving entity, for the Load-serving entity's use in enhancing its service to EPIC ratepayers. This license is for **non-commercial purposes**, meaning that it does not allow Load-serving entities to sell, commercially offer or distribute Copyrightable Works to others or in the marketplace. For example, if the Recipient creates copyrightable software, the Commission can give a Load-serving entity the right to use the software as part of its operations of providing service to EPIC ratepayers, but the Load-serving entity cannot sell or distribute the software.

D. Patent Rights

- i. Subject to the requirements of law, all rights to any Subject Inventions shall belong to the Recipient. The State of California, including the Commission, shall have a no-cost, non-exclusive, non-transferable, non-sublicensable, irrevocable, royalty-free, worldwide, paid-up license to practice, or have practiced, such Subject Invention for governmental purposes, including the Commission's statutory objectives. A confirmatory license will be executed by the Recipient to provide said license to any such Subject Invention, within ninety (90) days after filing of patent application. Notwithstanding the foregoing and except if the Commission exercises March-in Rights, Recipient has the sole right but not the obligation to prosecute or maintain patent protection for any Subject Invention at any time.
- ii. The Commission may direct Recipient to issue a no-cost, non-exclusive, non-sublicensable, irrevocable, royalty-free, worldwide, paid-up license to Subject Inventions to Load-serving entities and/or third parties working with a Load-serving entity, solely to practice Subject Inventions for non-commercial purposes, so as to enhance the Load-serving entities' service to EPIC ratepayers. This license is for **non-commercial purposes**, meaning that it does not allow Load-serving entities to sell, commercially offer or distribute patentable works to others or in the marketplace. For example, if the Recipient creates patentable software, the Commission can give a Load-serving entity the right to use the software as part of its operations of providing service to EPIC ratepayers, but the Load-serving entity cannot sell or distribute the software.



- iii. If any Subject Invention that is subject to the licenses above has been designated as Confidential Information as specified in Section 19, all license holders will only disclose the Subject Invention under the circumstances specified in Title 20 CCR Sections 2506, 2507, and 2508. All license holders will ensure that their officers, employees, and subcontractors who have access to the Subject Invention are informed of and abide by the disclosure limitations in Section 19.
- iv. Copyrightable Works that may be patentable are also subject to the Patent Rights clause, which will take precedence in case of a conflict.

E. Energy Commission's Rights to Subject Inventions

i. March-in Rights

With respect to any Subject Invention in which Recipient has title and to the extent permissible under Federal laws and regulations, the Energy Commission shall have the right to require Recipient or Recipient's Licensee to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant, upon terms that are reasonable under the circumstances, if the Energy Commission determines that: a) the Recipient or Recipient's Licensee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the Invention; or b) action is necessary to alleviate health or safety needs that are not reasonably satisfied by Recipient or Recipient's Licensee. If the Recipient or Recipient's Licensee refuses such request, the Commission may grant such a license itself. The parties may refer to the Federal Government's procedures for handling march-in rights.

ii. Notice of Patent

If any patent is issued for a Subject Invention, the Recipient will send the Commission Agreement Manager and Commission Agreement Officer written notice of the issuance within three (3) months of the issuance date. The notice must include the patent title, issuance number, and a general description of the Subject Invention.

iii. Legal Notice

The Recipient and all persons and/or entities obtaining an ownership interest in Subject Inventions must include the following statement within the specification of any United States patent application, and any subsequently issued patent for the invention:

**"This invention was made with State of California support under California Energy Commission grant number EPC-15-061. The Energy Commission has certain rights to this invention."**

F. Access to and Preservation of Subject Inventions and Copyrightable Works

i. Access

Upon the Commission Agreement Manager's request, the Recipient will provide the Commission Agreement Manager and any individuals designated by the Commission or the CPUC with access to the Recipient's Subject Inventions and to Copyrightable Works which are subject to Sections 21.C.i and 21.C.iii., in order to exercise the licenses described above, and to determine any royalty payments due under the Agreement.

ii. Preservation

The Recipient will preserve Subject Inventions and Copyrightable Works which are subject to Sections 21.C.i and 21.C.iii, in order to exercise the licenses described above, at its own expense for at least ten (10) years from the Agreement's end date or until the timeframe in Recipient's retention policy, whichever is longer. Notwithstanding the foregoing, Recipient is not obliged under this Agreement to obtain or maintain any intellectual property protection for Subject Inventions. Recipient has the sole right but not the obligation to file a patent application for a Subject Invention, but Recipient will file and prosecute a patent application for any Subject Invention which a Licensee has a license under Section 21.D.ii., upon written request by such Licensee and at Licensee's expense.

G. All terms of this Section 21 above will be flowed down to Subcontractors.

**22. Royalty Payments to the Energy Commission**

A. In consideration of the Commission providing funding to the UC, UC agrees to pay the Commission a portion of either Net Revenues or Net Royalties under the terms and conditions hereinafter set forth. If federal funds are used in the conception or reduction to practice of a Subject Invention, such Net Revenues or Net Royalties shall be used by the State of California in a manner consistent with Title 35 United States Code (USC), Section 202, subdivision (c)(7) to the extent this USC Section applies).

i. Net Royalties. The UC's obligation to make payments to the Commission shall commence from the date that the Net Royalties calculation is positive and extend until ten (10) years from the Agreement's end date. Payments are payable in annual installments and are due the first day of March for Net Royalties calculation made for the UC's prior fiscal year. UC agrees to pay to Commission an amount equivalent to 10% of the total cumulative Net Royalties, less payments made by UC to Commission in previous years when Net Royalties were positive. Payments shall be made by check and made payable to the California Energy Commission, EPIC Fund.

- ii. Net Revenues. If the UC is the licensee, the UC's obligation to make payments to the Commission shall commence upon the first sale of the Licensed Product. Payments are payable in annual installments and are due the first day of March for the prior fiscal year of the UC and extend until ten (10) years from the Agreement's end date. UC agrees to pay an amount equivalent to 1.5% of the Net Revenues by check made payable to the California Energy Commission, EPIC Fund.

- B. If a Licensed Product was developed in part with Match Funds during the Agreement term, the Net Royalty payments will be reduced in accordance with the percentage of such development activities that were funded with Match Funds. For example, if 20% of the development activities were funded with Match Funds during the Agreement and total cumulative Net Royalties equaled \$100,000 in one year, the Recipient would owe the Energy Commission \$8,000 for the year ( 10% of \$100,000 = \$10,000; 80% of \$10,000 = \$8,000 (the 80% coming from 100% - 20% in match funds)).

If the Energy Commission is providing funds to the Recipient under this Agreement as a project match partner and Energy Commission funds are used in part to develop a Licensed Product, the Net Royalty payments will be reduced in accordance with the percentage of such development activities that were funded with non-Energy Commission funds during the Agreement term. For example, if 80% of the development activities were funded with Recipient and/or third party funds during the Agreement and Net Royalties totaled \$100,000 in one year, the Recipient would owe the Energy Commission \$2,000 for the year (10% of \$100,000 = \$10,000; 20% of \$10,000 = \$2,000 (the 20% coming from 100% - 80% in match funds)).

- C. Unless the Recipient makes an early buyout, total Net Royalty or Net Revenue payments will be limited to three (3) times the amount of funds paid by the Energy Commission under the Agreement. The Recipient may make an early buyout payment to the Energy Commission without a pre-payment penalty, as an alternative to making annual royalty payments for ten (10) years following the Agreement's end date. The payment must be in a lump sum amount equal to one and a half (1.5) times the amount of funds paid by the Energy Commission under the Agreement and made within five (5) years of the Agreement's end date. The payment amount due under the early buyout option will not be reduced by the percentage of Match Funds as described above.

- D. UC agrees not to make any sale, license, lease, gift or other transfer of any Project Data Subject Invention, Copyrightable Work or Licensed Product with the intent of, or for the purpose of, depriving Commission of Net Royalties or Net Revenues hereunder. Generally, this means that the UC will not make any sale, license, lease or other transfer of Project Data, Subject Invention, Copyrightable Work or Licensed Product for consideration other than fair market value except for research, educational, or other mutually agreed to purposes intended to serve the public benefit.
- E. UC shall maintain separate accounts within their financial and other records for purposes of tracking royalties and revenues due to the Commission under this Agreement.
- F. Audits on Payments to Commission. Payments to the Commission are subject to the Audit clause.
- G. Defaults. In the event of default hereunder, the Commission shall be free to exercise all rights and remedies available to it herein, and under law and at equity. UC's failure to pay when due, any amount due and payable under the terms of this contract constitutes a default under this Agreement.

## **24. *Certifications and Compliance***

### **A. Federal, State & Local Laws**

Recipient shall comply with all applicable federal, state and local laws, rules and regulations.

B. Nondiscrimination Statement of Compliance

During the performance of this Agreement, Recipient and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (40), marital status, and denial of family care leave. Recipient and its subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Recipient and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Sections 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part of it as if set forth in full. Recipient and its subcontractors shall give written notice of their obligations under this section to labor organizations with which they have a collective bargaining or other Agreement.

The Recipient shall include the nondiscrimination and compliance provisions of this section in all subcontracts to perform work under this Agreement.

C. Drug Free Workplace Certification

By signing this Agreement, the Recipient hereby certifies under penalty of perjury under the laws of the State of California that the Recipient will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- i. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations as required by Government Code Section 8355(a).
- ii. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:
  - a. The dangers of drug abuse in the workplace;
  - b. The person's or organization's policy of maintaining a drug-free workplace;
  - c. Any available counseling, rehabilitation, and employee assistance programs; and

- d. Penalties that may be imposed upon employees for drug abuse violations.
- iii. Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed project:
  - a. Will receive a copy of the company's drug-free policy statement;
  - b. Will agree to abide by the terms of the company's statement as a condition of employment on the project.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both, and the Recipient may be ineligible for any future state awards if the Energy Commission determines that any of the following has occurred: 1) the Recipient has made false certification, or 2) violates the certification by failing to carry out the requirements as noted above.

D. National Labor Relations Board Certification (Not applicable to public entities)

Recipient, by signing this Agreement, does swear under penalty of perjury that no more than one final unappealable finding of contempt of court by a Federal Court has been issued against the Recipient within the immediately preceding two year period because of the Recipient's failure to comply with an order of a Federal Court which orders the Recipient to comply with an order of the National Labor Relations Board.

E. Child Support Compliance Act (Applicable to California Employers)

For any agreement in excess of \$100,000, the Recipient acknowledges that:

- i. It recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- ii. To the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

F. Air or Water Pollution Violation

Under the state laws, the Recipient shall not be:

- i. In violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district;

- ii. Subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or
- iii. Finally determined to be in violation of provisions of federal law relating to air or water pollution.

G. Americans with Disabilities Act

By signing this Agreement, Recipient assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101, et seq.), which prohibits discrimination on the basis of disability, as well as applicable regulations and guidelines issued pursuant to the ADA.

H. Union Activity

By signing this Agreement, the Recipient hereby certifies that Recipient will not use grant funds for any expenses to assist, promote, or deter union organizing. Any Recipient that makes expenditures to assist, promote, or deter union organizing shall maintain records sufficient to show that state funds have not been used for those expenditures (Government Code Section 16645.2).

I. Payment

Costs for this Agreement shall be computed in accordance with State Administrative Manual Section 8752 and 8752.1.

## 23. Definitions

- A. **Agreement Period** is the length of this Agreement between the Energy Commission and the Recipient. The Recipient's Project may coincide with or extend outside the Agreement Period.
- B. **Confidential Information** any data or information that is proprietary to the Disclosing Party, allowed to be kept confidential under the California Public Records Act (Government Code §6250 et seq.) or other applicable law, and not publicly known at the time of disclosure to the receiving party.
- C. **Copyrightable Work** means any copyrighted work as defined under U.S. copyright law to which the Recipient, a Subcontractor, or a Match Fund Partner has acquired title that is first created in the performance of the Scope of Work under this Agreement and is not a scholarly work.
- D. **Data** means information, regardless of the form or medium including, but not limited to drawings, lists, findings, computations, notes, diagrams, data files, statistical records and other research data.
- E. **Pre-existing Data** means Data possessed or owned by the Recipient or by a third party (including Subcontractors) that exists prior to the Agreement start date or developed during the Agreement without Commission or Match Funds.



- F. **Project-relevant Pre-existing Data** means Pre-existing Data used by Recipient or Subcontractors in the performance of the Scope of Work conducted under this Agreement.
- G. **Project Data** means Data that is first produced in the performance of this Agreement by Recipient, a Subcontractor or a Match Funds partner. Project Data does not include a researcher's laboratory notebook, but may include the Data contained therein.
- H. **Deliverable Data** means Project Data that is identified in the Scope of Work and required to be delivered to the Commission.
- I. **Equipment** is defined as having a useful life of at least one year, having an acquisition unit cost of at least \$5,000, and purchased with Energy Commission funds. **Equipment** means any products, objects, machinery, apparatus, implements or tools purchased, used or constructed within the Project, including those products, objects, machinery, apparatus, implements or tools from which over thirty percent (30%) of the equipment is composed of Materials purchased for the Project. For purposes of determining depreciated value of equipment used in the Agreement, the Project shall terminate at the end of the normal useful life of the equipment purchased, funded and/or developed with Energy Commission funds. The Energy Commission may determine the normal useful life of such equipment.
- J. **Key Personnel** are employees of the Recipient who are both listed in the Agreement and critical to the outcome of the project. For example, they may have expertise in the particular field or have experience that is not available from another source. Replacing these individuals may affect the outcome of the project.
- K. **Independently Funded Intellectual Property** means Intellectual Property created, conceived, discovered, made, developed, altered, or reduced to practice by the Recipient or a third party during or after the Agreement term without Energy Commission or Match Funds, and any associated proprietary rights to these items that are obtained without Energy Commission or Match Funds, such as patent and copyright.
- L. **Intellectual Property** means inventions, technologies, designs, drawings, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, logos, and any associated proprietary rights to these items, such as patent and copyright, including and any upgrades or revisions to these items.
- M. **Licensed Product** means any product commercialized by a Licensee that embodies or utilizes Project Data, a Subject Invention, or Copyrightable Work.

- N. **Licensee** means the organization (or its affiliates, joint venture or sublicensee) that is granted commercial rights to Project Data, a Subject Invention or Copyrightable Work to develop any of these into a commercial product that is made available to the public in the marketplace or otherwise sold.
- O. **Load-serving entity** means a company or other organization that provides electricity to EPIC ratepayers.
- P. **Match Funds** means cash or in-kind (non-cash) contributions shown in the approved budget, Exhibit B, and provided by Recipient, Subcontractors, or other parties that will be used in performance of this Agreement.
- Q. **Match Fund Partner** means an entity providing Match Funds that does not receive any Commission funds.
- R. **Materials** means the substances used in constructing a finished object, commodity, device, article or product.
- S. **Net Revenues** means the total of the gross invoice prices of Licensed Product sold, less the sum of the following actual and customary deductions where applicable: cash; quantity discounts; sales, use, tariff, import/export duties or other excise taxes imposed upon particular sales; transportation charges; and allowance or credits to customers because of rejections or returns.
- T. **Net Royalties** means gross licensing income, including royalties and fees, received by UC from a Licensee as consideration for commercially licensing any Subject Invention, Copyrightable Work, or Project Data, less the following:
- i. Legal or other direct expenses (that are not otherwise reimbursed under an option or license agreement from a third party) of patenting, protecting and preserving patent, copyright and related property rights, maintaining patents and other such costs, taxes, or reimbursements as may be necessary or required by law, except patent infringement expenses;
  - ii. Inventor or author shares in accordance with UC's, patent or copyright policy; and
  - iii. Direct expenses include operating expenses of UC which are customarily reimbursed by royalty payments.
- Net Royalties do not include any payments to joint holders nor research funding accepted by Recipient or a Subcontractor in association with an option or licensing agreement. Net Royalties shall be aggregated cumulatively, over time for each disclosed Subject Invention, Copyrightable Work, or Project Data.
- U. **Ownership** means exclusive possession and control of all rights to property, including the right to use and transfer property.

- V. **Subcontractor** is the same as a Subrecipient and means an entity that is performing research and has received Agreement funds via a subaward arrangement appropriate for that entity from the prime UC location awarded this grant Agreement. A Subcontractor may include not-for-profit and for-profit organizations, Federal laboratories, or any part of the University of California, such as a campus or the Lawrence Berkeley National Laboratory. This definition does not include vendors providing goods and services.
- W. **Key Subcontractor** is a Subcontractor that is critical to the outcome of the project. For example, the Subcontractor may have expertise in the particular field or have experience that is not available from another source. Replacing these entities may affect the outcome of the project.
- X. **Pre-existing Intellectual Property** means Intellectual Property that the Recipient or a third party owned or possessed prior to the effective date of this Agreement and that have not been developed, altered, or reduced to practice with Energy Commission or Match Funds, and any associated proprietary rights to these items that are obtained without Energy Commission or Match Funds, such as patent and copyright.
- Y. **Products** means all tangible research products first made by Recipient, Subcontractors, or Match Fund Partners in the performance of this Agreement and specified for delivery to the Commission in the Scope of Work, but not a Subject Invention nor a Copyrightable Work.
- Z. **Project** refers to the entire effort undertaken and planned by the Recipient under this Agreement and consisting of the work co-funded in whole or in part by the Energy Commission.
- AA. **Project-relevant Pre-existing Intellectual Property** means Pre-existing Intellectual Property used by Recipient, Subcontractors, or Match Fund Partners in the performance of the Scope of Work conducted under this Agreement.
- BB. **Project-relevant Independently Funded Intellectual Property** means Independently Funded Intellectual Property used by Recipient, Subcontractors, or Match Fund Partners in the performance of the Scope of Work conducted under this Agreement.
- CC. **Report** means all required reports specified for delivery to the Commission in the Scope of Work.
- DD. **Sale** means the act of selling, leasing or otherwise transferring, providing, or furnishing for use for any consideration.  
**Sell** means to make or cause to be made a Sale.
- EE. **Sold** means to have made or caused to be made a Sale.
- FF. **Sales Price** means the price at which Licensed Product is sold, excluding sales tax.

GG. **Subject Invention** means any patentable invention or discovery that is either:

- i. Conceived and first actually reduced to practice (actually reduced to practice or constructively reduced to practice by the filing of a patent application) in the performance of the Scope of Work;
- ii. Conceived in the performance of the Scope of Work and first reduced to practice in the performance of the Scope of Work conducted under this Agreement or within forty-two (42) months after the completion of the Scope of Work;
- iii. Conceived prior to the effective date of this Agreement or conceived without Energy Commission funds and reduced to practice in the performance of the Scope of Work, provided that such conception is not encumbered by any obligations owed to a third party other than the U.S. Government.

HH. **Technology** refers to the general subject area where the product or innovation will be used. For example, solar thermal electric generation is a Technology area; direct steam generation is an innovation in this Technology area.

II. **Trade Secret** is any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented and which is generally known only to certain individuals with a commercial concern and are using it to fabricate, produce or compound an article of trade or a service having commercial value and which gives its user an opportunity to obtain a business advantage over competitors who do not know or use it.

JJ. **UC** is used to refer to the one legal entity of The Regents of the University of California, or any subdivision or campus thereof.

KK. **Vendor**. A dealer, distributor, merchant or other seller providing goods or services that are required for the performance of the Scope of Work. Vendors are not considered Subcontractors and are subject to the normal terms and conditions of the University's procurement process.

LL. **Key Vendor** is a Vendor that is critical to the outcome of the project. For example, the Vendor may have expertise in the particular field or have experience that is not available from another source. Replacing these entities may affect the outcome of the project.

**SECTION E  
GENERAL TERMS AND CONDITIONS**

**E.1 Legal Authority**

The Subcontractor represents and warrants that it possess the legal authority to enter into this Agreement, to receive funds authorized by this Agreement, and to perform the Scope of Work. The person or persons signing and executing this Agreement on the Subcontractor's behalf, or representing themselves as signing and executing this Agreement on the Subcontractor's behalf, warrant and guarantee that he, she or they have been duly authorized by the Subcontractor to execute this Agreement on the Subcontractor's behalf, and to validly and legally bind the Subcontractor to all terms, performances, and provisions of this Agreement.

**E.2 Insurance**

The Subcontractor, at its own expense, shall obtain and maintain at all times during the term of this Agreement the following policies of insurance or certificate of self-insurance with the minimum limits indicated below, unless otherwise approved in writing by the Contractor:

**2.1 General liability:**

Comprehensive or Commercial Form (Minimum Limits)	
Each Occurrence	\$1,000,000.00
Products, Completed Operations Aggregate	\$2,000,000.00
Personal and Advertising Injury	\$1,000,000.00
General Aggregate*	\$2,000,000.00
* not applicable to comprehensive form	

If the above insurance is written on a claims-made form, it will continue for three (3) years following termination of this Agreement. Coverage shall provide for a retroactive date of placement coinciding with the effective date of this Agreement.

If the above insurance coverage is modified, changed or cancelled, the Subcontractor will provide the Contractor with not less than fifteen (15) days advance written notice of such modification, change, or cancellation, and will prompt obtain replacement coverage that complies with this section.

**2.2 Business Automobile Liability Insurance** for owned, scheduled, non-owned or hired automobiles with a combined single limit of not less than \$1,000,000.00 per occurrence. (REQUIRED ONLY IF SUBCONTRACTOR DRIVES ON UCLA PREMISES OR TRANSPORTS UCLA EMPLOYEES, OFFICERS, INVITEES, OR AGENTS IN THE COURSE OF PERFORMING WORK FOR UCLA.)

**2.3** If applicable, Professional Liability Insurance with a limit of \$2,000,000.00 per occurrence with an aggregate of not less than \$2,000,000.00. If this insurance is written on a claims-made form, it shall continue for three (3) years following termination of this Agreement. The insurance shall have a retroactive date of placement prior to or coinciding with the effective date of this Agreement.

**2.4.** Workers' Compensation as required under applicable State law AND Employer's Liability with limits of \$1,000,000.00 per occurrence.

**2.5** If applicable, the Subcontractor will be responsible for loss of UCLA and its Sponsor's property, directly or indirectly, and will maintain Fidelity Bond or Crime coverage for the dishonest acts of its employees in a minimum amount of \$1,000,000.00. The Subcontractor will endorse such policy to include a "Regents of the University of California Coverage" or "Joint Payee Coverage" endorsement. UCLA and, if so requested,

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its Sponsor will be named as "Loss Payee, As Their Interest May Appear" in such Fidelity Bond.

It is understood that the coverage and limits referred to under 2.1, 2.2 and 2.3 of this section will not in any way limit the Subcontractor's liability. The Subcontractor will furnish UCLA with certificates of insurance (and the relevant endorsement pages) evidencing compliance with all requirements prior to commencing work under the Agreement. Such certificates will:

- (1) Indicate that The Regents of the University of California has been endorsed as an additional insured for the coverage referred to under 2.1 and 2.2 of this section. This provision will only apply in proportion to and to the extent of the negligent acts or omissions of the Subcontractor, its officers, agents, or employees.
- (2) Include a provision that the coverage will be primary and will not participate with nor be excess over any valid and collectible insurance or program of self-insurance carried or maintained by UCLA.

### **E.3 Patent Indemnification**

The Subcontractor represents to the Contractor that it will not willingly or knowingly infringe on any third parties' patent, copyright, trademark or other intellectual property right in performance of this Agreement and that to the best of its knowledge it possesses all necessary right to or ownership in the know-how, processes or other intellectual property required to perform this Agreement. The Subcontractor shall give the Contractor prompt notice of each claim or allegation received by the Subcontractor of infringement of its intellectual property.

### **E.4 Applicable Law; Disputes Resolution**

- 4.1 The definition of terms used, interpretation of this subcontract and rights of the parties hereunder shall be construed under and governed by the laws of the State of California, excluding its conflict of law provisions.
- 4.2 Should any claim, controversy or other disagreement ("disagreement") between the parties relating to this subcontract occur, the parties shall attempt to settle such disagreement by agreement between the parties as follows: The representatives of the party asserting such disagreement shall provide written notice of all facts and supporting documentation concerning the disagreement to the named representative of the other party (e.g. the Project Manager for Contractor or the Project Manager for Subcontractor). The representative of the other party shall review these materials and shall within twenty (20) business days of receipt of such notice, either meet in person or by conference telephone call with the representative of the party asserting such disagreement to discuss a resolution or provide a written notice of such party's position on the disputed issues and the reason(s) therefore. If resolution is not reached at this level, the parties shall provide written notice to the upper management of Contractor and the Subcontractor. The representatives shall, within twenty (20) business days of receipt of notice, either meet in person or by conference telephone call to discuss a resolution.
- 4.3 Any disagreement between the parties relating to this Agreement that cannot be settled by agreement through the process outlined above shall be a dispute. In the event of a dispute arising regarding the interpretation or implementation of this Agreement, including any claims for breach of this Agreement, shall be heard in a court of competent jurisdiction. Unless otherwise directed by Contractor in writing, the Subcontractor shall continue to perform the work during any disputes.

### **E.5 Timeliness**

Time is of the essence in this Agreement.

### **E.6 Assurances**

The Contractor reserves the right to seek further written assurances from the Subcontractor that the

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work under this Agreement will be performed consistent with the terms of this Agreement.

### **E.7 Notification of Important Occurrences**

The Subcontractor shall promptly notify the Contractor of the occurrence of any of the following:

- i. A change of address.
- ii. The existence of any litigation or other legal proceeding affecting this Agreement.
- iii. The occurrence of any casualty or other loss to project personnel, equipment or third parties.
- iv. Receipt of notice of any claim or potential claim against the Subcontractor for patent, copyright, trademark, service mark and/or trade secret infringement that could affect the Contractor or its Sponsor's rights.

### **E.8 Access to Sites and Records**

The Contractor or its representatives shall have reasonable access to all project sites and to all records related to this Agreement.

### **E.9 General**

- 9.1 *Taxes.* The Subcontractor will pay all contributions, taxes and premiums payable under federal, state and local laws measured upon the payroll of employees engaged in providing services under this Agreement, and all applicable, excise, transportation, privilege, occupational and other taxes applicable to the work under this Agreement. Where applicable, the Subcontractor will pay all sales and use taxes imposed on the Subcontractor.
- 9.2 *No Assignment.* Subcontractor shall not transfer, pledge, or otherwise assign this Agreement, the right to receive any funds provided hereunder or any interest in or claim arising under this Agreement without Contractor's prior written approval. In the absence of such prior written approval, any such assignment shall be void.
- 9.3 *Conflict of Interest.* Subcontractor covenants that, to the best of Subcontractor's knowledge, neither it nor any member of its governing body presently has any interest or shall acquire any interest, direct or indirect, (i) that would conflict in any manner or degree with the performance of activities required to be performed for the work under this Agreement or (ii) that would result in a violation of Subcontractor's policy on conflicts, personal interests and private inurement ("conflict of interest policy"), as the same is currently in effect or as may be amended from time to time (in either event, a "Conflict of Interest").
- 9.4 *Political Activity.* None of the performance rendered under this Agreement shall involve, and no portion of the funds received by the Subcontractor under this Agreement shall be used for, any political activity (including, but not limited to, an activity to further the election or defeat of any candidate for public office) or any activity undertaken to influence the passage, defeat, or final content of legislation.
- 9.5 *Waiver; Severability of Provisions; Headings.* In no event will a party's failure to exercise or enforce any right or provision of this Agreement constitute a waiver of such right or provision. If any provision of this Agreement is found by a court of competent jurisdiction to be invalid, then such provision will be construed, as nearly as possible, to reflect the intentions of the parties with the other provisions remaining in full force and effect. The headings in this Agreement are solely used for the convenience of the parties and have no legal or contractual effect.
- 9.6 *Survival.* It is understood and agreed that certain provisions shall survive the completion or termination date of this Agreement for any reason. The provisions include, but are not limited to:

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- i. "Payments of Funds"
- ii. "Equipment"
- iii. "Notification of Important Occurrences"
- iv. "Termination"
- v. "Recordkeeping, Cost Accounting, and Auditing"
- vi. "Indemnification"
- vii. "Pre-Existing Intellectual Property, Independently Funded Intellectual Property, and Pre-existing Data"
- viii. "Intellectual Property"
- ix. "Royalty Payments to the Energy Commission"
- x. "Access to Sites and Records"

9.7 *Notice.* All notices, including notices of address change, required to be sent hereunder shall be in writing and shall be deemed to have been given when communicated to the other party by hand delivery, by registered or certified post, or by any other means which confirms receipt of the notice by the receiving party. All such notices shall be addressed to the parties designated below at the addresses listed unless notified otherwise. The following individuals are designated representatives for those matters set forth below. Legal notice shall be effective when received, unless a holiday on the date of the attempted delivery. In which case, the effective date shall be postponed twenty-four (24) hours, or whenever the next business day occurs

If to UCLA: Institute of the Environment and Sustainability  
University of California, Los Angeles  
La Kretz Hall, Suite 300  
Box 951496  
Los Angeles, CA 90095-1496  
Attn: Stephanie Pincetl, Ph.D.  
Tel: 310-206-4712  
Fax: 310-825-5446  
E-mail: spincetl@ioes.ucla.edu

(Technical matters) Attn: Felicia Federico, D. Env.  
Tel: 310-825-5508  
Fax: 310-825-9663  
E-mail: ffederico@ucla.edu

(Contract matters) UCLA Office of Campus Purchasing  
10920 Wilshire Blvd., Suite 650  
Los Angeles, CA 90210  
Attn: Linda Chen, MBA  
Tel: 310-794-6018  
Fax: 310-794-8020  
E-mail: lchen@finance.ucla.edu

If to Subcontractor:  
(Technical matters) County of Los Angeles  
Office of Sustainability  
1100 N. Eastern Avenue  
Los Angeles, CA 90063  
Attn: Howard Choy, MS  
Tel: 323-267-2006  
E-mail: HCoy@isd.lacounty.gov

(Contract matters) Attn: Ana Rosales  
Tel: 323-490-9012  
E-mail: aerosales@isd.lacounty.gov



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- 9.8 *Order of Precedence.* In the event of any inconsistency among sections of this Agreement, the order of precedence shall be: Section D, Section C, then followed by the sequence shown under Table of Contents on the Subcontract Form.
- 9.9 *No Joint Venture.* This Agreement is not intended to constitute, create, give effect to or otherwise recognizes a joint venture, partnership, or formal business organization of any kind, and the rights and obligations of the parties shall be only those expressly set forth herein. At all times Contractor and Subcontractor shall remain independent contractors, each responsible for its own employees, and not responsible for employees of the other. Contractor assumes no responsibility to Subcontractor for costs, expenses, risks and liabilities arising out of Subcontractor's efforts under this Agreement.
- 9.10 *Construction.* The parties acknowledge that this is a fully negotiated document and that a full and fair opportunity has been provided for review and comment on the provisions of this Agreement by the parties and their respective representatives and attorneys and the rule of construction that ambiguities are to be resolved against the drafting party or any particular person will not be applicable to this Agreement. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any party.
- 9.11 *No Third-Party Beneficiary.* This Agreement is made solely and specifically among and for the benefit of the parties named herein, and their respective successors and assigns, and no other person shall have any right, interest or claim hereunder or be entitled to any benefits under or on account of this Agreement as a third-party beneficiary or otherwise.
- 9.12 *Use of Name.* Under no circumstances shall Subcontractor state or imply in any publication or other published announcement that the Contractor has approved any product or service that is or might be provided, manufactured, sold, or otherwise distributed without prior written approval from the Contractor. The Contractor also requires that its name not be used in connection with any advertisement, press release, or other form of business promotion or publicity, or refer to this Agreement or products and/or services provided hereunder, without its prior written approval. Neither party shall use the name of the other, including the names the Regents of University of California, UCLA, or University of California, without the prior written consent of an authorized representative of the other party. The parties acknowledge that use of the names UCLA Medical Center, Santa Monica-UCLA Medical Center, the "University of California" or other similar references to University of California Los Angeles, its physicians or facilities, shall be subject to the prior written approval of the Regents of University of California in accordance with the provisions of applicable law, including but not limited to California Education Code Section 92000, and University of California policy.
- 9.13 *EQUAL OPPORTUNITY AFFIRMATIVE ACTION.* The Subcontractor will abide by the requirements set forth in Executive Orders 11246 and 11375. Where applicable, the Subcontractor will abide by 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a), incorporated by reference with this statement: **"This contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin, protected veteran status or disability."** With respect to activities occurring in the State of California, Supplier agrees to adhere to the California Fair Employment and Housing Act. The Subcontractor will provide the Contractor on request a breakdown of its labor force by groups as specified by the Contractor, and will discuss with the Contractor its policies and practices relating to its affirmative action programs. The Subcontractor will not maintain or provide facilities for employees at any establishment under its control that are segregated on a basis prohibited by federal law. Separate or single-user restrooms and necessary dressing or sleeping areas must be provided, however, to ensure privacy.

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- 9.14 **CANRA.** Where applicable, the Subcontractor represents and warrants that it complies with the California Child Abuse and Neglect Reporting Act ("CANRA"). Failure to comply with CANRA will constitute a material breach of the Agreement and be grounds for termination.
- 9.15 **Tobacco-free Campus.** Effective April 22, 2013, UCLA became a tobacco-free campus. The use of cigarettes, cigars, oral tobacco, electronic cigarettes and all other tobacco products are prohibited on the Westwood campus and other sites owned or leased by the Contractor. To the extent compliance is required, the Subcontractor shall comply with the Contractor's safety rules and regulations, including Tobacco-free Campus, when on UCLA premises.
- 9.16 **Minimum Wage.** The minimum wage to be paid to workers, including workers whose wages are calculated pursuant to special certificates issued under 29 U.S.C. 214(c) in the performance of the contract or any subcontract thereunder, shall be at least: (i) \$10.10 per hour beginning January 1, 2015; and (ii) beginning January 1, 2016, and annually thereafter, an amount determined by the Secretary in accordance with the Executive Order.
- 9.17 **Lien Release.** The Subcontractor shall not permit any actual or purported lien, charge or claim to attach or to attempt to attach to the work, the site or any amounts due or become due to the Subcontractor under the Agreement. If any lien, charge or claim is so asserted, the Subcontractor shall promptly procure its release and indemnify the Contractor against all damage and expense incident thereto. Upon completion of the work and before any final payment and settlement, the Subcontractor shall provide evidence satisfactory to the Contractor of payment and release of all debts, taxes, liens, charges, obligations and claims for or relating to labor, materials, subcontractors and sub-subcontractors.
- 9.18 **Entire Agreement.** The referenced attachments are hereby incorporated in this Agreement as if fully rewritten herein. This Agreement sets forth the entire agreement between Contractor and Subcontractor, and fully supersedes any and all prior agreements or understandings, whether written, oral, implied, or otherwise. Any modification of this Agreement will be effective only if it is in writing and signed by the authorized representative of both parties.

**SECTION F  
INVOICE SUBMISSION REQUIREMENTS**

F.1 The award currently allocated to the work for the performance period is as set forth in the Subcontract Form. All funds provided to the Subcontractor pursuant to this Agreement must be used to support the Project and must be accounted for in periodic reports if required by the Contractor. If requested, a full accounting of all funds must be submitted to the Contractor.

F.2 Payment of Funds

A. Payment Requests

The Subcontractor shall submit invoice to the Contractor on a monthly basis and it is preferred that payment requests be submitted with the progress reports. Payments will generally be made on a reimbursement basis for Subcontractor's expenditures, i.e., after the Subcontractor has paid for a service, product, supplies, or other approved budget item. No reimbursement for food or beverages shall be made other than allowable per diem charges. Funds in this Agreement have a limited period in which they must be expended. All Subcontractor expenditures must occur within the approved term of this Agreement.

B. Release of Funds

The Contractor will not process any payment request during the Agreement term if the following conditions have not been met:

- i. All required Products and reports have been submitted and are in accordance with the Standard of Performance Clause.
- ii. All applicable terms and conditions have been met.
- iii. All appropriate permits or permit waivers from governmental agencies have been issued to the Subcontractor and copies have been received by the Contractor.

Payments shall be made to the Subcontractor only for undisputed invoices. An undisputed invoice is an invoice executed by the Subcontractor for project expenditures, that meets all payment conditions of the Agreement, and for which additional evidence is not required to make payment. The invoice may be disputed if all Products or reports due for the billing period have not been received and approved, if the invoice is inaccurate, or if it does not comply with the terms of this Agreement. If the invoice is disputed the Subcontractor will be notified in writing. On any disputed invoice, the Contractor shall withhold payment only on that portion of the invoice that is disputed. If a specific invoice format is required, it shall be attached hereto. The Contractor shall reimburse the Subcontractor within sixty (60) days of receipt of an invoice reflecting work performed pursuant to this Agreement.

F.3 The final invoice, clearly marked "FINAL", must be submitted within forty (40) days after expiration or termination of this Agreement. The final invoice shall include the following certification: *"Payment of this final invoice shall constitute complete satisfaction of all of the Contractor's obligations under this Agreement and the Subcontractor releases and discharges the Contractor from all further claims and obligations upon payment hereof."*

F.4 Funds in this Agreement have a limited period in which they must be expended. All Subcontractor expenditures must occur within the approved term of this Agreement.

F.5 All invoices shall be submitted in duplicate to the individual listed below:

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UCLA Institute of the Environment & Sustainability  
La Kretz Hall, Suite 300 / Box 95149  
Los Angeles, CA 90095-1496  
Attn: Joan Koyama  
Phone: 310-267-5149  
Fax: 310-825-9663  
E-mail : jkoyama@ioes.ucla.edu

- F.5 All payments are made via Electronic Fund Transfer ("EFT") unless otherwise specified. However, should a check be issued, checks will be made payable to the Subcontractor. If the Subcontractor not already signed up to receive EFT from the Contractor, upon contract award, the Subcontractor shall complete the UCLA EFT Authorization Form located at <http://ucla.app.box.com/ap-pdf-vendor-eft.auth>.

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**SECTION G  
SAMPLE INVOICE FORMAT**

**INVOICE**  
(on Subcontractor's Letterhead)

**SUBMIT INVOICE TO:**

NAME  
UCLA DEPARTMENT  
ADDRESS  
CITY, STATE, ZIP

Project Title: \_\_\_\_\_  
UCLA Subcontract Number: \_\_\_\_\_  
UCLA Principal Investigator: \_\_\_\_\_

**SUBCONTRACTOR**

NAME  
ADDRESS  
SUBCONTRACTOR NAME:  
SUBCONTACT TELEPHONE/EMAIL:

Invoice Date:  
Invoice No.:

Period of Performance:

Billing Period:

**\*Subcontractor costs must be identified on each invoice by categorical line item in accordance with the approved budget.**

	Budget	Cumulative Costs	Current Costs
Salaries and Wages			
Fringe Benefits			
Materials and Supplies			
Travel			
Other			
Equipment			
Consultants			
Subcontracts			
Cost Sharing			
Program Income			
TOTAL	\$ _____	\$ _____	\$ _____

**Amount of payment requested**

\$ \_\_\_\_\_

For each invoice, it must include the following certification: "As an authorized representative of the organization, I certify that all expenditures reported (or payments requested) are for appropriate purposes and in accordance with this Agreement."

For final invoice, it must include the following certification: "Payment of this final invoice shall constitute complete satisfaction of all of the Contractor's obligations under this Agreement and the Subcontractor releases and discharges the Contractor from all further claims and obligations upon payment hereof."

\_\_\_\_\_  
Authorized Signature (e.g. Financial Controller)  
(Name and Title)

\_\_\_\_\_  
Date

\_\_\_\_\_  
UCLA Principal Investigator Signature of Approval

\_\_\_\_\_  
Date

**SECTION H  
LIST OF ATTACHMENTS**

**H.1 LIST OF ATTACHMENTS**

The following attachments constitute part of this Agreement:

<u>Attachment</u>	<u>Description</u>	<u>Number of Pages</u>
1	Subcontractor's Scope of Work and Budget	8
2	Confidential Products and Project-Relevant Pre-Existing and Independently Funded Intellectual Property	5
3	Project Schedule	3
4	Progress Report Format	2

# Attachment 1

## **Scope of Work**

### **County Office of Sustainability, County of Los Angeles Administrator of the Southern California Regional Energy Network**

The County Office of Sustainability (COS), as administrator of the Southern California Regional Energy Network (SoCalREN), will support UCLA in the development of an advanced energy community program model, pilot site design, and replication tools for existing buildings in disadvantaged communities in California.

This document outlines the expected scope of work for the role of COS and the SoCalREN on this project. These tasks will be executed directly by the COS and by the subcontractors of the SoCalREN as described below. The principal SoCalREN subcontractors will be The Energy Coalition (TEC) and the Community Home Energy Retrofit Project (CHERP). Task and subtask numbers below correspond to the complete project scope of work as outlined in the application for the California Energy Commission grant opportunity GFO-15-312. Only the tasks relevant to the scope of work for COS and its subcontractors through the SoCalREN have been included in this document

#### **Task 1. General Project Tasks**

##### **Subtask 1.5 Progress Reports and Invoices**

The main goals of this subtask are to: (1) periodically verify that satisfactory and continued progress is made towards achieving the project objectives and (2) ensure that invoices contain all required information and are submitted in the appropriate format

COS shall submit a monthly Progress Report to UCLA. Each progress report must:

- o Summarize progress made on all Agreement activities as specified in the scope of work for the preceding month, including accomplishments, problems, milestones, products, schedule, fiscal status, and an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. See the Progress Report Format Attachment for the recommended specifications.

COS shall review and process all SoCalREN subcontractor invoices for expenditures related to its assigned project tasks for both Energy Commission funds and match fund expenditures. COS will prepare invoices to submit to UCLA in accordance with Energy Commission terms and conditions on behalf of the SoCalREN.

#### **Products:**

- Progress Reports
- Invoices

## **Task 2: Case Study**

The goals of this task are to: (1) develop the AEC Program Model within the disadvantaged community census tracts of the City of Claremont, (2) estimate benefits, and (3) document the actions taken.

The SoCalREN shall:

- Establish the community infrastructure associated with the AEC Program Model and initiate community outreach within the disadvantaged tracts of the City of Claremont
- Prepare quantitative estimates of *Energy/GHG Reductions and Benefits*

Products:

- Quantitative Estimates of Energy/GHG Reduction and Benefits Report (draft and final)

## **Task 3: Master Community Design**

The goals of this task are to: (1) develop the master community designs and site maps; and (2) prepare a report describing the selection of community-scale technologies

The SoCalREN shall:

- Develop a *Master Community Designs and Site Maps* for the proposed AEC

Products:

- Master Community Designs and Site Maps Report (draft and final)

## **Task 5: Financial and Business Models**

The goals of this task are to: (1) showcase innovative financing strategies that can help make AECs financially attractive; and (2) generate data critical to informing financing strategy development.

The SoCalREN shall:

- Develop a report documenting innovative financing strategies developed by CHERP, entitled *Report on CHERP Financing Strategies*

Products:

- Report on CHERP Financing Strategies (draft and final)

## **Task 6: Outreach Strategy**

The goal of this task is to: develop an outreach strategy to inform other local governments and developers of the costs, benefits, approaches and methods related to the AEC Program Model, in order to facilitate rapid adoption and replication.



## **Task 2. Case Study**

The goals of this task are to: (1) develop the AEC Program Model within the disadvantaged community census tracts of the City of Claremont, (2) estimate benefits, and (3) document the actions taken.

The SoCalREN shall:

- Establish the community infrastructure associated with the AEC Program Model and initiate community outreach within the disadvantaged tracts of the City of Claremont
- Prepare quantitative estimates of *Energy/GHG Reductions and Benefits*

Products:

- Quantitative Estimates of Energy/GHG Reduction and Benefits Report (draft and final)

## **Task 3: Master Community Design**

The goals of this task are to: (1) develop the master community designs and site maps; and (2) prepare a report describing the selection of community-scale technologies

The SoCalREN shall:

- Develop a *Master Community Designs and Site Maps* for the proposed AEC

Products:

- Master Community Designs and Site Maps Report (draft and final)

## **Task 5: Financial and Business Models**

The goals of this task are to: (1) showcase innovative financing strategies that can help make AECs financially attractive; and (2) generate data critical to informing financing strategy development.

The SoCalREN shall:

- Develop a targeted financing program documenting the tailored financial services created for the master community pilot site from the suite of SoCalREN services and produce a *Targeted Financing Program Report*.

Products:

- A Targeted Financing Program Report (draft and final)

## **Task 6: Outreach Strategy**

The goal of this task is to: develop an outreach strategy to inform other local governments and developers of the costs, benefits, approaches and methods related to the AEC Program Model, in order to facilitate rapid adoption and replication.

The SoCalREN shall:

- Organize and co-host with the CEC a *Final Event* showcasing our case study

Products:

- Final Event Agenda

## Category Budget

(see instructions)

<b>Name of Organization</b>	County Office of Sustainability, County of Los Angeles
-----------------------------	--

☐ Contractor/Recipient ☒ Subcontractor

☐ Small Business ☐ Micro Business ☐ Disabled Veteran Business Enterprise

Cost Category	Energy Commission Reimbursable Share	Match Share	Total
Direct Labor	\$ 23,410	\$ 7,884	\$ 31,294
Fringe Benefits	\$ 16,816	\$ 5,134	\$ 21,950
<b>Total Labor</b>	<b>\$ 40,226</b>	<b>\$ 13,018</b>	<b>\$ 53,244</b>
Travel	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -
Materials/Miscellaneous	\$ -	\$ 180,000	\$ 180,000
Subcontractors	\$ 344,452	\$ 58,000	\$ 402,452
<b>Total Other Direct Costs</b>	<b>\$ 344,452</b>	<b>\$ 238,000</b>	<b>\$ 582,452</b>
Indirect Costs	\$ 15,322	\$ 4,959	\$ 20,281
Profit (not allowed for grant recipients)	\$ -	\$ -	\$ -
<b>Total Indirect and Profit</b>	<b>\$ 15,322</b>	<b>\$ 4,959</b>	<b>\$ 20,281</b>
<b>Grand Totals</b>	<b>\$ 400,000</b>	<b>\$ 255,977</b>	<b>\$ 655,977</b>
<b>Amount of Funds Spent in CA</b>	<b>\$ 400,000</b>		
<b>Percentage of Funds Spent in CA</b>	<b>100%</b>		

L.A. County/SoCalREN budget for AEC grant (GFO-15-312)

Task #	Lead Agency/Subcontractor	Description	Item	Total	Task Subtotals
1	County Office of Sustainability	processing SoCalREN subcontractor invoices, general grant admin support for SoCalREN subcontractors	Facilities Project Manager I - 220 hours Administrative Services Manager I - 220 hours	\$ 29,112 \$ 26,443	\$ 55,555
2	CHERP	development of AEC Program Model - establishing community infrastructure and initiating outreach	Project Manager(s) - 0.75 FTE @ \$40,000/year Project Manager - 1 half-time @ \$22,250/year Collateral material: banners, flyers, brochures, signs, videos, tutorials webinars Training materials: videos, tutorials, website, software Director - 65 hours @ \$200/hour	\$ 60,000 \$ 55,000 \$ 10,000 \$ 8,965 \$ 12,960	
2	The Energy Coalition	Case study - analysis of expected energy/GHG reductions and grid impacts	Program Manager - 108 hours @ \$108/hour Project Manager - 43 hours @ \$125/hour Sub-consultant - 24 hours @ \$250/hour Director - 173 hours @ \$200/hour	\$ 16,200 \$ 5,400 \$ 6,000 \$ 34,560	\$ 174,525
3	The Energy Coalition	Master Community Design	Program Manager - 216 hours @ \$150/hour Project Manager - 173 hours @ \$125/hour Sub-consultant - 96 hours @ \$250/hour	\$ 32,400 \$ 21,600 \$ 24,000	\$ 112,560
5	CHERP	analysis of innovative financing models, including Claremont Locally Grown Power	Project Manager(s) - 0.25 FTE @ \$40,000/year Director - 22 hours @ \$200/hour	\$ 20,000 \$ 4,320	\$ 20,000
6	The Energy Coalition	develop marketing and outreach materials for Local Government outreach, organize and co-host event w/CEC to showcase case study	Program Manager - 22 hours @ \$150/hour Project Manager - 43 hours @ \$125/hour Sub-consultant - 8 hours @ \$250/hour others - 112 hours @ \$200/hour	\$ 3,240 \$ 5,400 \$ 2,000 \$ 22,400	\$ 37,360
TOTAL:				\$ 400,000	

## Budget Justification – County of Los Angeles/SoCalREN

This is an outline of the expected costs for the County Office of Sustainability (COS) for the County of Los Angeles and the subcontractors for the Southern California Regional Energy Network (SoCalREN) to execute the tasks specified in the scope of work for this grant funding opportunity.

### County of Los Angeles

The COS expects to incur up to \$55,555 in labor expenses to provide grant management and process invoices on behalf of the SoCalREN subcontractors. This includes an estimated 10 hours per month of a Facilities Project Manager I and 10 hours per month of an Administrative Services Manager I for the grant term of 22 months. Direct labor rates, fringe benefits, and indirect costs have been budgeted for these positions as outlined below.

The direct labor rates (see table below) are based on County of Los Angeles billable rates for the relevant job classifications for FY15-16, accounting for three scheduled salary increases during the course of the grant term: a 3% increase in FY16-17 and two 2% increases in FY17-18. These represent the maximum expected hourly rates for direct labor during the course of the grant term ending in March 2018. All invoices will reflect current billable rates for the appropriate FY during which the labor was performed.

Job Classification/Title	Direct Labor Rates			
	FY 15-16 (current rates)	FY 16-17 (expected)	FY 17-18 (expected- 1 <sup>st</sup> increase)	FY 17-18 (expected- 2 <sup>nd</sup> increase)
Facilities Project Manager I	\$52.038	\$53.599	\$54.671	\$55.764
Administrative Services Manager I	\$47.268	\$48.686	\$49.660	\$50.652

Estimated fringe benefit rates are based on the County of Los Angeles fringe benefit rate, which is set by the Auditor-Controller for the County of Los Angeles in accordance with the OMB Federal Register, 2 CFR Chapter I, Chapter II, Part 200. The current rate of 61.83% has been adjusted to account for potential increases of up to 5% per year for FY16-17 and FY17-18, resulting in an estimated maximum fringe benefit rate of 71.83% during the grant term. This represents the maximum expected rate to be charged during the grant term; all invoices will reflect current billable rates for the appropriate FY during which the labor was performed.

Estimated indirect costs are based on the COS general and administrative overhead rate of 29.784% and the County overhead rate of 2.315%. County overhead rates are calculated by the Auditor-Controller for the County of Los Angeles in accordance with the OMB Federal Register, 2 CFR Chapter I, Chapter II, Part 200. The current overhead rates have been adjusted to account for potential increases of up to 3% per year for FY16-17 and FY17-18, resulting in a total estimated maximum overhead rate of 38.099%. This represents the maximum rate to be charged during the grant term; all invoices will reflect current overhead rates as set by the Auditor-Controller for the appropriate FY during which the labor was performed.

## Subcontractors for the SoCalREN

The County Office of Sustainability, as administrator of the SoCalREN, anticipates a total cost of \$344,445 for subcontractor costs to implement grant tasks related to developing an advanced energy community program model and project site plan. These tasks will be performed by The Energy Coalition (TEC) and the Community Home Energy Retrofit Project (CHERP), with anticipated costs as specified below.

### TEC Personnel:

**Director** – will lead TEC team in the planning and execution of all TEC tasks described in the Scope of Work. The Director efforts to support the entire Phase-1 of this project, from May 2016 to March 2018, is estimated to be 260 hours. Based on the hourly rate of \$200 per hours, the requested budget for TEC Director for Phase-1 is \$52,000.

**Program Manager** – will be primarily focused on Task 2, 3, and 6 as described in the Scope of Work. The Program Manager efforts to support the entire Phase-1 of this project, from May 2016 to March 2018, is estimated to be 346 hours. Based on the hourly rate of \$150 per hours, the requested budget for TEC Program Manager for Phase-1 is \$51,900.

**Project Manager** – will be supporting all of TEC designated tasks as described in the Scope of Work. The Project Manager efforts to support the entire Phase-1 of this project, from May 2016 to March 2018, is estimated to be 259 hours. Based on the hourly rate of \$125 per hours, the requested budget for TEC Project Manager for Phase-1 is \$32,375.

**Subconsultant** – will support TEC team primarily on Task 2 and 3 as described in the Scope of Work. The Sub-consultant efforts to support the entire Phase-1 of this project, from May 2016 to March 2018, is estimated to be 128 hours. Based on the hourly rate of \$250 per hours, the requested budget for TEC Sub-consultant for Phase-1 is \$32,000.

**Supporting Staff** – will be primarily focused on Task 6 as described in the Scope of Work. The Supporting Staff efforts to support the entire Phase-1 of this project, from May 2016 to March 2018, is estimated to be 111.025 hours. Based on the hourly rate of \$200 per hours, the requested budget for TEC Supporting Staff for Phase-1 is \$22,205.

The Table-1 below provides the estimated hours that each of TEC Staff will expend to support the Project during Phase-1.

**Table-1: TEC Staff hours per Task**

	Task 2	Task 3	Task 6	Total
Director	65	173	22	260
Program Manager	108	216	22	346
Project Manager	43	173	43	259
Sub-consultant	24	96	8	128
Others	0	0	111.025	111.025
<b>TOTALS:</b>	<b>240</b>	<b>658</b>	<b>206</b>	<b>1,104</b>

The Table-2 below provides the hourly rate and request budget per TEC Staff for each of TEC tasks as described above.

**Table-2: Hourly Rate and Request Budget per Task**

	Hourly Rate	Task 2	Task 3	Task 6	Total
Director	\$200	\$13,000	\$34,600	\$4,400	\$52,000
Program Manager	\$150	\$16,200	\$32,400	\$3,300	\$51,900
Project Manager	\$125	\$5,375	\$21,625	\$5,375	\$32,375
Sub-consultant	\$250	\$6,000	\$24,000	\$2,000	\$32,000
Others	\$200	\$0	\$0	\$22,205	\$22,205
<b>TOTALS:</b>		\$40,575	\$112,625	\$37,280	\$190,480

**CHERP budget:**

CHERP anticipates \$153,965 in expenses to support Task 2: Case Study and Task 5: Financial and Business Models. This includes the following anticipated costs over the 22-month grant term:

Program Manager: 1 half-time Program Manager @\$27,500/year (\$55,000 total)

CHERP Project Manager(s): 1 FTE at \$40,000/year (\$80,000 total)

Collateral Material (banners, flyers, brochures, signs): \$10,000

Training Materials (videos, tutorials, webinars, website, software): \$8,965

## Attachment 2

### **Confidential Products and Project-Relevant Pre-Existing and Independently Funded Intellectual Property**

#### **Instructions**

##### Identification of Confidential Information

- **Prior to the effective date of the Agreement**, the Recipient must identify in Section 2 of this attachment any products (or information contained within products) that it considers to be confidential. If the Energy Commission agrees that the information is confidential, it will not disclose it except as provided in Section 19 (Confidentiality) of these terms and conditions.
- **During the Agreement**, if the Recipient develops additional information not originally anticipated as confidential, it must follow the procedures for a request for designation of confidential information specified in Title 20 California Code of Regulations (CCR) Section 2505.

The Energy Commission's Executive Director will make the confidentiality determination. Following this determination, the confidential information may be added to this attachment through a Letter of Agreement (see Section 6 (Amendments) and Attachment 2 (Sample Letter of Agreement)). The Energy Commission will not disclose information subject to an application for confidential designation except as provided in Section 19.

- **When submitting products containing confidential information**, the Recipient must mark each page of any document containing confidential information as "confidential" and present it in a sealed package to the Contracts, Grants, and Loans Office.

The Commission Agreement Manager may require the Recipient to submit a non-confidential version of the product, if it is feasible to separate the confidential information from the non-confidential information.

##### Identification of Project-Relevant Independently Funded and Pre-Existing Intellectual Property

- The Recipient must identify all project-relevant pre-existing intellectual property and project-relevant independently funded intellectual property in Section 3 of this attachment prior to the effective date of the Agreement, or within sixty (60) days of becoming aware that the property has been or will be used to support a premise, postulate, or conclusion referred to or expressed in any product under the Agreement. This attachment may be amended by a Letter of Agreement (see Section 6 (Amendments) and Attachment 2 (Sample Letter of Agreement)).
  - **"Project-relevant pre-existing intellectual property" and "project-relevant independently funded intellectual property"** mean pre-existing and independently funded intellectual property used to support a premise, postulate, or conclusion referred to or expressed in any product under the Agreement.
  - **"Pre-existing intellectual property"** means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that the Recipient or a third party owned or possessed prior to the effective date of this Agreement and that have not been developed, altered, or reduced to practice with Energy Commission or match funds; and (b) associated proprietary rights to these items that are obtained without Energy Commission or match funds, such as patent and copyright.



## Confidential Products and Project-Relevant Pre-Existing and Independently Funded Intellectual Property

- **"Independently funded intellectual property"** means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that are created, conceived, discovered, made, developed, altered, or reduced to practice by the Recipient or a third party during or after the Agreement term without Energy Commission or match funds; and (b) associated proprietary rights to these items that are obtained without Energy Commission or match funds, such as patent and copyright.

"Works of authorship" does not include written products created for Agreement reporting and management purposes, such as reports, summaries, lists, letters, agendas, schedules, and invoices. The Commission owns such products regardless of their funding source.

- **Failure to identify project-relevant pre-existing or independently funded intellectual property** in this attachment may result in the property's designation as "intellectual property" that is subject to licenses and royalties, as described in Sections 21 (Intellectual Property) and 22 (Royalty Payments to the Commission).

## Confidential Products and Project-Relevant Pre-Existing and Independently Funded Intellectual Property

### **2. Confidential Products and/or Confidential Information Contained within Products**

The Energy Commission designates the following products (or information contained within products) as confidential, in accordance with Title 20 California Code of Regulations Section 2505(c)(2)(B).

<b>Product name</b>	NONE
<b>Task/subtask number</b>	
<b>Information to be kept confidential</b>	<input type="checkbox"/> Entire product <input type="checkbox"/> Selected information within product ( <i>describe below; be as specific as possible</i> ):
<b>Legal basis for confidentiality designation</b>	<input type="checkbox"/> California Public Records Act, located in California Government Code Sections 6250 et seq. ( <i>identify the relevant section(s) and subsections(s) below</i> ):  <input type="checkbox"/> Other law ( <i>identify below, including the relevant section(s) and subsections(s)</i> ):
<b>Term of confidentiality</b>	MM-DD-YY to MM-DD-YY
<p><b>Trade secrets only</b></p> <p>Answer the following questions if the product/information described above is considered a trade secret (i.e., confidential business information that provides the business with a competitive advantage):</p> <ol style="list-style-type: none"> <li>1. What is the nature of the competitive advantage provided by the product/information?</li> <li>2. How would the competitive advantage be lost by disclosure? (generally describe the value of the product/information and the ease or difficulty with which it may be legitimately acquired or duplicated by others).</li> </ol>	

## Confidential Products and Project-Relevant Pre-Existing and Independently Funded Intellectual Property

### 3. Project-Relevant Pre-Existing Intellectual Property and Project-Relevant Independently Funded Intellectual Property

The Recipient has identified the following items as "project-relevant pre-existing intellectual property" and/or "project-relevant independently funded intellectual property," as defined in Sections 20 (Pre-Existing and Independently Funded Intellectual Property) and 25 (Definitions) of these terms and conditions. The Commission makes no ownership, license, or royalty claims to this property, and may only access it for the purposes described in Section 20.

<b>Name/Title of Intellectual Property</b>	
<b>Type of Intellectual Property</b>	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%;"> <input type="checkbox"/> Project-relevant pre-existing intellectual property  <input type="checkbox"/> Project-relevant independently funded intellectual property             </div> <div style="width: 50%;"> <input type="checkbox"/> Invention  <input type="checkbox"/> Technology  <input type="checkbox"/> Design  <input type="checkbox"/> Drawing  <input type="checkbox"/> Data  <input type="checkbox"/> Software  <input type="checkbox"/> Formula             </div> <div style="width: 50%;"> <input type="checkbox"/> Process  <input type="checkbox"/> Technique  <input type="checkbox"/> Work of Authorship  <input type="checkbox"/> Trademark/ Service mark  <input type="checkbox"/> Logo             </div> </div>
<b>Registered or Pending Intellectual Property (i.e., copyrights, patents, or trademarks that are registered or pending with the U.S. Copyright Office or the U.S. Patent and Trademark Office)</b>	<input type="checkbox"/> Copyright <input type="checkbox"/> Patent <input type="checkbox"/> Trademark/ Service mark Name of owner: Number and date: <hr/> <i>For pending applications</i> Name of applicant: Application number and date:
<b>Unregistered Intellectual Property</b>	<input type="checkbox"/> Copyright <input type="checkbox"/> Trademark/ Service mark <input type="checkbox"/> Trade Secret Name of owner:
<b>Description of how the property will be or has been used to support a premise, postulate, or conclusion referred to or expressed in any product under the Agreement</b>	

# **Confidential Products and Project-Relevant Pre-Existing and Independently Funded Intellectual Property**

<b>Name/Title of Intellectual Property</b>	
<b>Type of Intellectual Property</b>	<input type="checkbox"/> Project-relevant pre-existing intellectual property <input type="checkbox"/> Project-relevant independently funded intellectual property  <input type="checkbox"/> Invention <input type="checkbox"/> Process <input type="checkbox"/> Technology <input type="checkbox"/> Technique <input type="checkbox"/> Design <input type="checkbox"/> Work of Authorship <input type="checkbox"/> Drawing <input type="checkbox"/> Trademark/ Service mark <input type="checkbox"/> Data <input type="checkbox"/> Logo <input type="checkbox"/> Software <input type="checkbox"/> Formula
<b>Registered or Pending Intellectual Property (i.e., copyrights, patents, or trademarks that are registered or pending with the U.S. Copyright Office or the U.S. Patent and Trademark Office)</b>	<input type="checkbox"/> Copyright <input type="checkbox"/> Patent <input type="checkbox"/> Trademark/ Service mark Name of owner: Number and date:  <i>For pending applications</i> Name of applicant: Application number and date:
<b>Unregistered Intellectual Property</b>	<input type="checkbox"/> Copyright <input type="checkbox"/> Trademark/ Service mark <input type="checkbox"/> Trade Secret Name of owner:
<b>Description of how the property will be or has been used to support a premise, postulate, or conclusion referred to or expressed in any product under the Agreement</b>	

# Attachment 3

## ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION AGREEMENTS

### Exhibit A - Scope of Work

UCLA

#### V. PROJECT SCHEDULE

**Agreement Term: 6-13-2016 to 3-30-2018**

Within this Scope of Work, "days" means working days. Changes to due dates must be approved in writing by the CAM, and may require approval by the Energy Commission's Executive Director or his/her designee.

Task/ Subtask #	Task/Subtask Name	Meeting Name	Product(s)	Due Date
1	General Project Tasks			
1.1	Products			
		Kick-off Meeting		6/30/2016
			Updated Project Schedule (if applicable)	7 days after determination of the need to update the documents
			Updated List of Match Funds (if applicable)	
			Updated List of Permits (if applicable)	
1.2	Kick-off Meeting		CAM Product	
			Kick-off Meeting Agenda	7 days prior to the kick-off meeting
		CPR Meeting #1		6/21/2017
			CPR Report	15 days prior to the CPR meeting
			Task Product(s)	
			CAM Products	
			CPR Agenda	5 days prior to the CPR meeting
			List of Expected CPR Participants	
			Schedule for Providing a Progress Determination	15 days after CPR meeting
			Progress Determination	As indicated in the Schedule for Providing a Progress Determination
		Final Meeting		2/28/2018
			Final Meeting Agreement Summary (if applicable)	7 days after the final meeting
			Schedule for Completing Agreement Closeout Activities	
			All Draft and Final Written Products	
			Progress Reports	10 days after the first of each month
			Invoices	10 days after the first of each month or quarter
			Draft Final Report Outline	8/25/2017
			Final Report Outline	9/25/2017
			CAM Product	
			Style Manual	At least 2 months prior to the final report outline due date
			Comments on Draft Final Report Outline	10 days after receipt of the Draft Final Report Outline
			Approval of Final Report	10 days after receipt of the Final Report Outline
			Draft Final Report	11/1/2017
			Final Report	1/25/2018
			CAM Products	
			Comments on Draft Final Report Outline	30 days after receipt of the Draft Final Report

**ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION AGREEMENTS**

**Exhibit A - Scope of Work**

UCLA

**V. PROJECT SCHEDULE**

Task/ Subtask #	Task/Subtask Name	Meeting Name	Product(s)	Due Date
1.7	Match Funds		Match Funds Status Letter	2 days prior to the kick-off meeting
			Supplemental Match Funds Notification Letter ( <i>if applicable</i> )	10 days after receipt of additional match funds
			Match Funds Reduction Notification Letter ( <i>if applicable</i> )	10 days after any reduction of match funds
1.8	Permits		Permit Status Letter	2 days prior to the kick-off meeting
			Updated List of Permits ( <i>if applicable</i> )	10 days after determination of the need for a new permit
			Updated Schedule for Acquiring Permits ( <i>if applicable</i> )	
			Copy of Each Approved Permit ( <i>if applicable</i> )	7 days after receipt of each permit
1.9	Subcontracts		Draft Subcontracts ( <i>if required by the CAM</i> )	As determined by the CAM
			Final Subcontracts	
1.10	Technical Advisory Committee (TAC)		List of Potential TAC Members	2 days prior to the kick-off meeting
			List of TAC Members	7 days after finalization of the TAC
			Documentation of TAC Member Commitment	7 days after receipt of the documentation
1.11	TAC Meetings	TAC Meeting #1		6/15/2017
			Draft TAC Meeting Schedule	20 days after the kickoff meeting
			Final TAC Meeting Schedule	10 days after the first TAC meeting
			Draft TAC Meeting Agendas	20 days prior to each TAC meeting
			TAC Meeting Back-up Materials	
			Final TAC Meeting Agenda	7 days prior to each TAC meeting
			TAC Meeting Summaries	10 days after each TAC meeting

**ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION AGREEMENTS**

**Exhibit A - Scope of Work**

UCLA

**V. PROJECT SCHEDULE**

Task/ Subtask #	Task/Subtask Name	Meeting Name	Product(s)	Due Date
<b>Technical Tasks</b>				
2	Case Study		Draft Energy / GHG Reduction and Benefits Report	11/1/2017
			Final Energy / GHG Reduction and Benefits Report	1/25/2018
			Draft Case Study Report	11/1/2017
			Final Case Study Report	1/25/2018
3	Master Community Design	CPR Meeting	Draft Master Community Designs and Site Maps Report	11/1/2017
			Final Master Community Designs and Site Maps Report	1/25/2018
			Draft Data Methodology Report	6/9/2017
			Final Data Methodology Report	9/8/2017
			Draft Report on Selection of Community-Scale Technologies	11/1/2017
			Final Report on Selection of Community-Scale Technologies	1/25/2018
			CPR Report	6/21/2017
4	Tools and Recommendations		Draft Local Implementation Recommendation Report	10/27/2017
			Final Local Implementation Recommendation Report	12/27/2017
			Draft Prioritization Tool	10/27/2017
			Final Prioritization Tool	12/27/2017
5	Financial and Business Models		Draft Energy Efficiency Program Effectiveness Report	6/9/2017
			Final Energy Efficiency Program Effectiveness Report	8/11/2017
			Draft Targeted Financing Program Report	3/19/2017
			Final Targeted Financing Program Report	5/19/2017
6	Outreach Strategy		AEC Program Model Documentation Portfolio	1/12/2018
			Journal Articles	1/12/2018
			Conference Presentation Materials	1/12/2018
			Meeting Presentations Materials	1/12/2018
			Final Event Agenda	1/12/2018
7	Evaluation of Project Benefits		Kick-off Meeting Benefits Questionnaire	6/30/2016
			Mid-term Benefits Questionnaire	6/12/2017
			Final Meeting Benefits Questionnaire	3/9/2018
8	Technology/Knowledge Transfer Activities		Draft Initial Fact Sheet	5/2/2016
			Final Initial Fact Sheet	6/30/2016
			Draft Final Project Fact Sheet	1/12/2018
			Final Project Fact Sheet	2/9/2018
			Draft Presentation Materials	1/12/2018
			Final Presentation Materials	2/9/2018
			High-Quality Digital Photographs	2/9/2018
			Draft Technology/Knowledge Transfer Plan	1/12/2018
			Final Technology/Knowledge Transfer Plan	2/9/2018
			Draft Technology/Knowledge Transfer Report	1/12/2018
			Final Technology/Knowledge Transfer Report	2/9/2018

Attachment 4  
**FORMAT OF PROGRESS REPORTS**

**PROGRESS REPORT for**  
**Accelerating AEC Deployment around Existing Buildings in Disadvantaged Communities through**  
**Unprecedented Data Analysis and Comprehensive Community Engagement**  
**EPC-15-061**  
**Month, Year**

**What we planned to accomplish this period**

[This is taken directly from the section on "What we expect to accomplish during the next period" from the last progress report]

**What we actually accomplished this period**

[Concise description of major activities and accomplishments.]

**How we are doing compared to our plan**

[Explain the differences, if any, between the planned and the actual accomplishments. Describe what needs to be done, if anything, to get back on track.]

**Significant problems or changes**

[Describe any significant technical or fiscal problems. Request approval for significant changes in work scope, revised milestone due dates, changes in key personnel assigned to the project, or reallocation of budget cost categories. If none, include the following statement: "Progress and expenditures will result in project being completed on time and within budget."]

**What we expect to accomplish during the next period**

[Concise description of major activities and accomplishments expected. This will be transferred to the next progress report]]

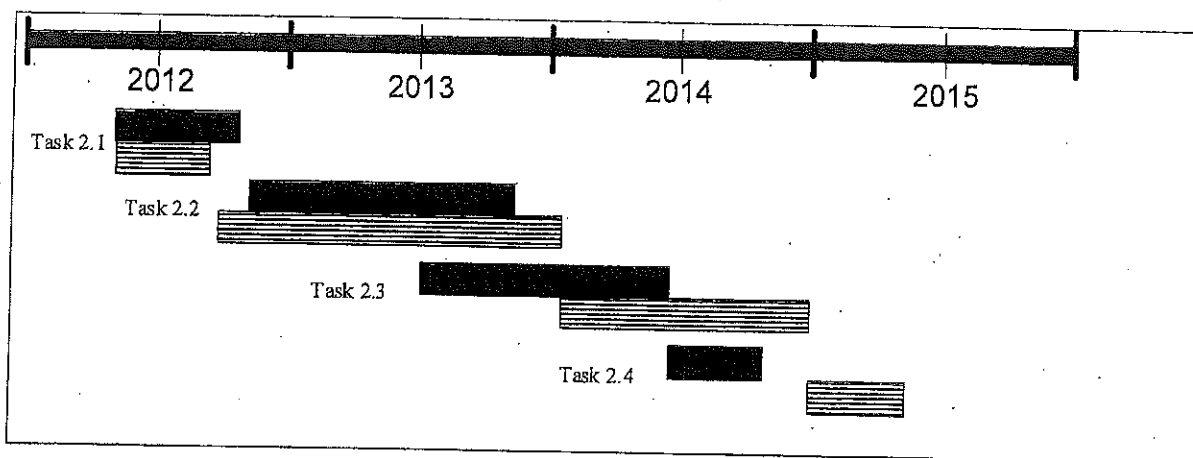
**Status of Milestones and Products:**

[This should be the complete list as contained in the revised scope of work and Exhibit B. Highlight differences between actual and planned.]

Description	Start Date		Due Date		Status (%)
	Planned	Actual	Planned	Actual	



## FORMAT OF PROGRESS REPORTS



### Overall schedule for the \_\_\_\_\_ project.

[Planned is solid blue, actual is red striped. This work flow diagram needs to correlate with the schedule in Exhibit B. This example has been prepared as a Word Picture, but a comparable Excel diagram or Gantt chart is fine.]

### Overview of Fiscal Status: (See invoices for detail.)

[It is useful to track the rate of expenditure of project funds. The most useful way to do this is to compare the actual expenditure rate with the planned expenditure rate. You get the planned rate at the beginning of the project, so it becomes a baseline. If you change course at a critical project review, you should show the original and the modified baseline, and then track against the new one.]

### Photographs:

[Include photographs where appropriate to document progress.] The photos shall be shot with color print film or be very high quality digital photos (at least 300 dpi).

### Evidence of Progress:

If there is a long time between interim products, then attach evidence of the progress being made (e.g., test data, product mock-ups, field site descriptions, preliminary analyses) to the progress reports to allow the Commission Project Manager to review progress and gauge the quality of research results.

The progress report on each project should be 1-2 pages long (plus photographs) and take about 1 hour to prepare for each reporting period.

## **ATTACHMENT 2**

### **Executive Summary Form**

#### **1. Project description:**

Our project combines academic research with on-the-ground expertise in an approach that is uniquely positioned to overcome the challenges associated with deploying AECs around existing buildings in disadvantaged communities, and which will generate practical, implementable knowledge. This partnership effort involves unprecedented data analysis and comprehensive community engagement, assesses local obstacles to state code implementation, and lays the groundwork for product and service aggregation at scale.

#### **2. Project goals and objectives:**

The goals of this project are to:

- Create new information that will fill critical knowledge gaps to inform the selection of optimal locations for AECs and reduce the risks and uncertainties surrounding their design, permitting and financing.
- Establish an AEC Program Model for existing buildings in a disadvantaged community.
- Develop the tools, recommendations and outreach that will enable rapid replication and wide-spread deployment of the Program Model.

The objectives of this project are to:

- Utilize the Energy Atlas to: conduct an evidence-based analysis of the effectiveness of energy efficiency actions already implemented; develop the data needed to aggregate energy efficiency / energy production products and services; and develop a prioritization tool to inform future building retrofit investments in AEC communities.
- Create an AEC Program Model that provides the community infrastructure needed to efficiently and effectively reach building owners in the disadvantaged communities within the City of Claremont, and to develop a pilot site design ready for full implementation of this model in Phase II, along with a case study documenting the actions taken and the benefits to ratepayers and the grid.
- Conduct an analysis of local codes and ordinances and recommend improvements to regulatory structures around permitting, planning and financing AECs.
- Create a full set of documentation and outreach materials to maximize and accelerate replicability and the transfer of knowledge gained from this project. Present in journal articles, at conferences, and through full utilization of channels including the Southern California Regional Energy Network (SoCalREN), the Los Angeles Regional Collaborative for Climate Action and Sustainability (LARC), and CEC co-hosted webinars and final event.

#### **3. Explanation of how project goals and objectives will be achieved, quantified, and measured:**

Project goals and objectives will be achieved through the production of a set of technical deliverables as described in the next section on project task description, as well as through the benefits questionnaires completed as part of mandatory task 7.

#### **4. Project task description:**

The following describes our project task goals, activities and deliverables:

## **ATTACHMENT 2**

### **Executive Summary Form**

**TASK 2 Case Study.** The goals of this task are to: (1) develop the AEC Program Model within the disadvantaged tracts of the City of Claremont; (2) estimate benefits; and (3) document the actions taken. We will establish the community infrastructure associated with the AEC Program Model, building on work already underway by the Community Home Energy Retrofit Project (CHERP), and initiate community outreach within the disadvantaged tracts of the City of Claremont; prepare quantitative estimates of energy / GHG reductions and benefits; and prepare a case study report describing the community infrastructure and outreach elements of the AEC Program Model as applied to the case study area. Products will include quantitative estimates of reductions and benefits, as well as a case study report.

**TASK 3 Master Community Design.** The goals of this task are to: (1) develop the master community designs and site maps; and (2) prepare a report describing the selection of community-scale technologies.

**Task 4 Tools and Recommendations.** The goals of this task are to: (1) use lessons learned from developing the case study and master community design to develop tools and recommendations for use in planning and building departments; and (2) create a prioritization tool for local governments to help select optimal locations for AECs that offer the most benefit to ratepayers and the grid. We will assess local obstacles to state code implementation within the City of Claremont and prepare a recommendation report that describes opportunities to enhance deployment of AECs. The prioritization tool will be based on the Energy Atlas, combined with findings from the energy efficiency program effectiveness analysis (discussed in Task 5) and electrical grid data.

**Task 5 Financial and Business Models.** The goals of this task are to: (1) generate data critical to informing financing strategy development; and (2) showcase innovative financing strategies that can help make AECs financially attractive. Using the Energy Atlas, we will evaluate the effectiveness of energy efficiency actions already implemented, based on ten years of demand, consumption and program participation data, and produce an energy efficiency program effectiveness report. We will also develop a targeted financing program documenting the tailored financial services created for the master community pilot site from the suite of SoCalREN services, and produce a targeted financing program report.

**Task 6 Outreach Strategy.** The goal of this task is to develop an outreach strategy to inform other local governments and developers of the costs, benefits, approaches and methods related to the AEC Program Model, in order to facilitate rapid adoption and replication. We will develop AEC Program Model documentation, including roadmaps, guides and reference materials, write journal articles and make conference presentations, conduct regional and state-level collaboration through SoCalREN and LARC, and organize and co-host with the CEC a final event showcasing our case study.

#### **5. Agreement management description:**

This project will be led by UCLA in partnership with the County of Los Angeles Office of Sustainability and the Los Angeles Cleantech Incubator. The County of Los Angeles will directly oversee activities by The Energy Coalition and by Community Home Energy Retrofit Project.



COUNTY OF LOS ANGELES

September 15, 2016  
DEPT NO: 300**REQUEST FOR APPROPRIATION ADJUSTMENT**

DEPARTMENT OF INTERNAL SERVICES

**AUDITOR-CONTROLLER:**

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

**ADJUSTMENT REQUESTED AND REASONS THEREFOR**  
**FY 2016-17**  
**4 - VOTES**

**SOURCES****USES****UTILITIES**

A01-IS-88-8737-12460  
 STATE ENERGY GRANTS  
 INCREASE REVENUE

173,000

**UTILITIES**

A01-IS-2000-12460  
 SERVICES & SUPPLIES  
 INCREASE APPROPRIATION

173,000

**SOURCES TOTAL**

173,000

**USES TOTAL**

173,000

**JUSTIFICATION**

Reflects an increase in appropriation for the Advanced Energy Communities (AEC) program, which will be fully reimbursed by the California Energy Commission's (CEC) Electric Program Investment Charge (EPIC) grant resulting in no impact on net County cost.

**ADOPTED**  
 BOARD OF SUPERVISORS  
 COUNTY OF LOS ANGELES

#28

OCT 18 2016

AUTHORIZED SIGNATURE

DAVE YAMASHITA, ADMIN DEPUTY

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

*Lori Glasgow*  
 LORI GLASGOW  
 EXECUTIVE OFFICER

REFERRED TO THE CHIEF  
 EXECUTIVE OFFICER FOR---

☐ ACTION☒ RECOMMENDATION

BY

DATE

*Lori Glasgow*  
*Sept 15, 2016*

☒ APPROVED AS REQUESTED☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY

DATE

*Y Yamashita*  
*Sep 15, 2016*

AUDITOR-CONTROLLER

B.A. NO. 030